Triple A: leaders of the profit pack

By Al Heller

Everyone needs friends to lean on.

And in 1992, the pillars of support for drug chains are the Triple A leaders in health and beauty aids and general merchandise.

With drug chains enduring one of their most challenging periods ever, merchants know they can at least count on performance from leading brands in core categories. Items cited on the charts that follow—supplied by Towne-Oller, a subsidiary of Information Resources, Inc.—have set the pace this past year in building incremental sales, along with new profit and image-enhancing opportunities for drug store operators.

Not surprisingly, most entries are manufactured by companies who've taken leads in powering the drug store business through effective category management.

The lists are a savory blend of perennial consumer favorites and some of the most innovative product introductions in recent months. AAA charts point up the need for retailers to continually be offered—and take chances on—new items that can expand categories exponentially (Monistat 7 and Gyne-Lotrimin), broaden a user base (single-use cameras), and heighten the excitement and plus-business opportunities for drug stores.

Premise of convenience

Drug stores, after all, offer the shopping premise of convenience, quick in-and-out store visits and health care expertise. They also need to be competitively stocked and priced on new items and category leaders.

Certainly, in the examples within this AAA Report, both conventional and deep discount drug store operators have merchandised successfully to maximize sellthrough. Their alliances with the manufacturers of these products have enabled them to create high-impact programs, intelligent shelf sets and easily shopped displays to compete effectively against the mass merchants, combos and wholesale clubs.

Drug stores played their pharmacy advantage to the hilt in garnering a significant share of the fast-growth yeast infection remedy business. Rx-to-OTC switches play to the strength of drug stores, and pharmacists in this instance got involved in dealing with this sensitive problem shared by 12.6 million women a year.

Moreover, women who actively manage their own birth control often look to the drug store pharmacy for pregnancy and ovulation test kits—both for the variety available, the advice and the relative privacy. Many chains have taken the lead in designing more private areas for consultation by their pharmacies.

In addition, diabetics are taking more control in monitoring their blood glucose levels—and that is translating into visible growth in meters, strips, lancets and related item sales.

On the general merchandise side, bad economic news may be pretty good news. The pinch on disposable income has Americans entertaining more at home—and that translates into greater sales of batteries, videotapes and audio tapes.

Film sales are advancing now due to the popularity of point-and-shoot 35mm cameras, the successful marketing of instant cameras and upgrades of instant film, and the phenomenal growth of single-use cameras. The recyclable cardboard-bodied units take the worry out of packing cameras in unfriendly territory: sea, sand, mountains. Their unit sales have soared 50 percent annually each of the past few years, and while mass merchants are more aggressive in displaying them, drug chains are clearly in the game with their own display strategies, and, of course, their frequent emphasis on quality photofinishing. That, alas, is where the real profits lie.

The benefits of AAA products go beyond their own sales. They impact total store productivity. They sound like good friends to have.

TRIPLE A PRODUCT STUDY 1992

With drug chains enduring one of their most challenging periods ever, merchants know they can count on performance from leading brands in core categories.

The Hottest General Merchandise Items

(Unit ranking 12 months through May 1992)

BATTERIES

Rank	Item
1.	Duracell AA alkaline 4 pk.
2.	Eveready AA alkaline Energizer 4 pk.
3.	Duracell AA alkaline 2 pk.
4.	Eveready AA alkaline Energizer 2 pk.
5.	Duracell 9 volt alkaline
6.	Duracell AA alkaline 8 pk.
7.	Eveready AA Energizer 8 pk.
8.	Duracell AAA alkaline 4 pk.
9.	Eveready AAA alkaline Energizer 4 pk.
10.	Eveready C alkaline Energizer 2 pk.
11.	Duracell D alkaline 2 pk.
12.	Duracell AAA alkaline 2 pk.
13.	Duracell C alkaline 2 pk.
14.	Eveready 9 volt Energizer 1 pk.
15.	Eveready D Energizer 2 pk.
16.	Duracell D alkaline 4 pk.
17.	Duracell C alkaline 4 pk.
18.	Eveready AA super heavy duty 4 pk.
19.	Eveready AAA alkaline Energizer
20.	Duracell 9 volt alkaline 2 pk.
21.	Eveready 9 volt Energizer 2 pk.
22.	Eveready watch/calc 1.5v #392bp
23.	Eveready watch battery #377bp
24.	Eveready watch/calc 1.5v #357bp
25.	Eveready watch/calc 1.5v #364bp

FILM

Rank	Item
1.	Kodak color VRG-200 CB135 film 24
2.	Kodak color VRG-100 CA135 film 24
3.	Kodak color VRG-200 CB135 film 36
4.	Kodak color VRG-200 CB110 film 24
5.	Polaroid 600 Plus film 1 pk.
6.	Kodak color VRG-400 CM135 film 24
7.	Kodak color VRG-100 CA135 film 36
8.	Kodak color VRG-400 CM135 film 36
9.	Kodak color VRG-200 CB135 film 12
10.	Polaroid 600 Plus film 2 pk.
11.	Kodak color VRG-100 CA135 film 12
12.	Kodak color VRG-200 CB110 film 12
13.	Kodak color VRG-200 CB135 film 24 3 pk.
14.	Polaroid Time-Zero SX-70 1 roll 10
15.	Kodak color VRG-100 CA135 film 24 3 pk.
16.	Kodak Ektar 125 CW135 24
17.	Kodak color VR cover disc-15 2 pk.
18.	Polaroid Spectra single film
19.	Kodak color VRG-400 CM135 film 12
20.	Kodak color VR cover disc-15
21.	Kodak color VRG-400 CM110 film 24
22.	Fuji color HR-100 CN135 24 film
23.	Kodak color VRG-400 CM135 film 24 3 pk.
24.	Fuji color HR-200 CA135 24 film
25.	Fuji color HR-100 CN110 24 film

DISPOSABLE LIGHTERS

Rank	Item
1.	Bic disposable lighter 2
2.	Scripto Mighty Match 1
3.	Bic disposable lighter 1
4.	Bic disposable lighter 5
5.	Bic mini disposable lighter 3 pk.
6.	Bic mini disposable lighter 2 pk.
7.	Scripto Turbo lighter 1
8.	Scripto Avanti lighter 1
9.	Scripto Ultra Lite 1
10.	Scripto Tiny Lite

VIDEO/AUDIO TAPES

Rank	Item
1.	Memorex hi-standard VHS t-120 videotape
2.	Kodak VHS t-120 videotape
3.	Polaroid VHS t-120 videotape
4.	Scotch VHS t-120 eg videotape
5.	BASF VHS t-130 videotape
6.	TDK VHS t-120 hsbh videotape
7.	Gemini t-120 VHS videotape
8.	Maxell VHS video t-120 single
9.	Sony VHS t-120 videotape
10.	Fuji audio cassete dr-1 c-90 5 pk.
11.	TDK cassette tape d-9ou 5 pk.
12.	Memorex audio cassette dbs-90 5 pk.
13.	Scotch VHS hg t-120 3 pk.
14.	BASF VHS t-160 videotape
15.	Maxell audio cassette XL-1190 2 pk.
16.	Memorex audio cassette dbs-90 2 pk.
17.	Polaroid VHS t-120 videotapes 3 pk.
18.	Fuji VHS t-120 videotape
19.	Memorex audio cassette norm dbs-60 2 pk.
20.	Universal t-120 VHS videotape

PENS

Rank	Item
1.	Paper Mate Write Bros. pen 10 pk. medium
2.	Bic Biro round stick medium point 10
3.	Carters Marks-A-Lot
4.	Flair porous-point guard pens
5.	Bic Super Saver Stic pens medium 10
6.	Sanford Sharpie fine marking pen
7.	Bic roller pen medium 2 pk.
8.	Eraser Mate-2 pens medium 6
9.	Paper Mate Flex-Grip roller pen
10.	Pilot better ball point pen 2 pk.

AUTOMOTIVE FLUIDS

Rank	Item
1.	Pennzoil 10w40 motor oil 1 qt.
2.	Pennzoil 10w30 motor oil 1 qt.
3.	Havoline Formula-3 10w30 1 qt.
4.	Havoline Supreme 10w40 1 qt.
5.	Sunoco 10w40 motor oil 1 qt.
6.	Quaker State 10w40 motor oil 1 qt.
7.	Pennzoil heavy duty 10w30 motor oil 1 qt.
8.	Zerex anti-freeze 1 gal.
9.	Sunoco 10w30 motor oil 1 qt.
10.	Prestone anti-freeze 1 gal.

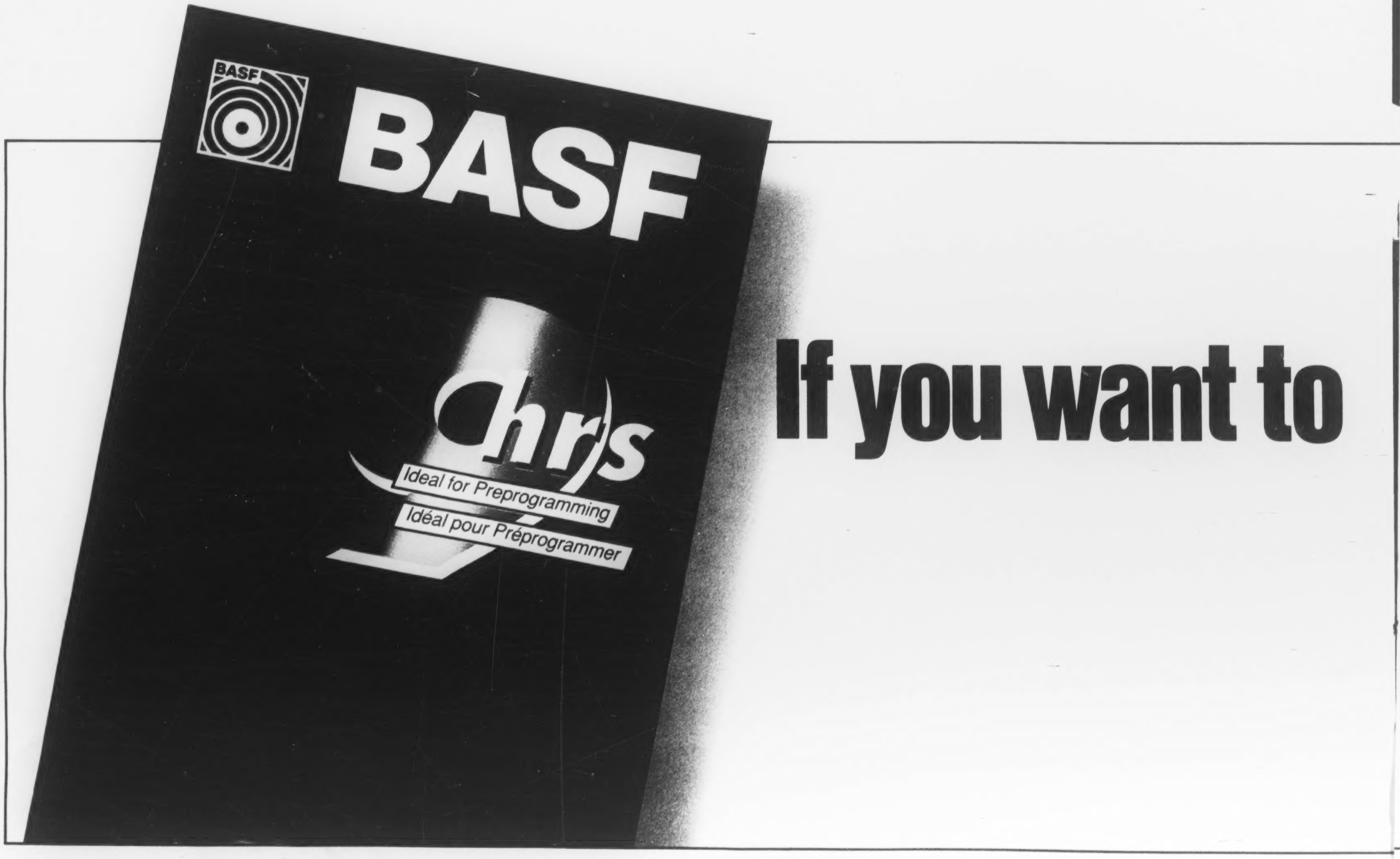
Source: Towne-Oller and Associates, a subsidiary of IRI.

The Hottest General Merchandise Items

(Dollar rankings 12 months through May 1992)

BATTERIES		FILM	
Rank	**Item**	**Rank**	**Item**
1.	Duracell AA alkaline 4 pk.	*1.*	Polaroid 600 Plus film 1 pk.
2.	Eveready AA alkaline Energizer 4 pk.	*2.*	Kodak color VRG-200 CB135 film 24
3.	Duracell AA alkaline 8 pk.	*3.*	Polaroid 600 Plus film 2 pk.
4.	Eveready AA Energizer 8 pk.	*4.*	Kodak color VRG-200 CB135 film 36
5.	Duracell AA alkaline 2 pk.	*5.*	Kodak color VRG-400 CM135 film 24
6.	Duracell 9 volt alkaline	*6.*	Kodak color VRG-100 CA135 film 24
7.	Eveready AA alkaline Energizer 2 pk.	*7.*	Kodak color VRG-200 CB110 film 24
8.	Duracell D alkaline 4 pk.	*8.*	Kodak color VRG-200 CB135 film 24 3 pk.
9.	Duracell C alkaline 4 pk.	*9.*	Kodak color VRG-400 CM135 film 36
10.	Duracell AAA alkaline 4 pk.	*10.*	Kodak color VRG-100 CA135 film 36
11.	Eveready AAA alkaline Energizer 4 pk.	*11.*	Polaroid Time-Zero SX-70 1 roll 10
12.	Duracell 9 volt alkaline 2 pk.	*12.*	Kodak color VRG-100 CA135 film 24 3 pk.
13.	Eveready C alkaline Energizer 2 pk.	*13.*	Polaroid Spectra single film
14.	Duracell D alkaline 2 pk.	*14.*	Polaroid 600 Plus film 3 pk.
15.	Duracell C alkaline 2 pk.	*15.*	Kodak color VRG-200 CB135 film 12
16.	Eveready 9 volt Energizer 1 pk.	*16.*	Kodak color VRG-400 CM135 film 24 3 pk.
17.	Eveready D Energizer 2 pk.	*17.*	Kodak color VR cover disc-15 2 pk.
18.	Duracell AAA alkaline 2 pk.	*18.*	Kodak color VRG-100 CA135 film 12
19.	Eveready 9 volt Energizer	*19.*	Kodak Ektar 125 CW135 24
20.	Eveready D Energizer 4 pk.	*20.*	Kodak color VRG-200 CB110 film 12
21.	Eveready C alkaline Energizer 4 pk.	*21.*	Polaroid Spectra film 2 pk.
22.	Duracell photo battery #DL245B	*22.*	Kodak color VRG-400 CM135 film 12
23.	Eveready AAA alkaline Energizer 2 pk.	*23.*	Kodak color VRG-400 CM110 film 24
24.	Eveready AA super heavy duty 4 pk.	*24.*	Kodak color VR cover disc-15
25.	Duracell XL photo battery #DL223A	*25.*	Kodak color VRG-400 CM135 film 24 2 pk.

Source: Towne-Oller and Associates, a subsidiary of IRI.



The Hottest General Merchandise Items

(Dollar rankings 12 months through May 1992)

PENS

Rank	Item
1.	Paper Mate Write Bros. pen 10 pk. medium
2.	Bic Biro round stick medium point 10
3.	Eraser Mate-2 pens medium 6
4.	Bic Super Saver stic pens medium 10
5.	Pilot better ball point pen 2 pk.
6.	Crayola washable markers 8
7.	Paper Mate Profile regular pen
8.	Flair porous-point guard pens
9.	Carters Marks-A-Lot
10.	Paper Mate Flex-Grip roller pen

VIDEO/AUDIO TAPES

Rank	Item
1.	Memorex Hi-Standard VHS t-120 videotape
2.	Kodak VHS t-120 videotape
3.	Polaroid VHS t-120 videotape
4.	Scotch VHS t-120 eg videotape
5.	BASF VHS t-130 videotape
6.	Scotch VHS HG t-120 3 pk.
7.	Polaroid VHS t-120 videotape 3 pk.
8.	TDK VHS t-120 hsbh videotape
9.	Sony VHS t-120 videotape
10.	Sony 8mm 120 videotape
11.	Maxell audio cassette XL-1190 2 pk.
12.	Fuji audio cassette DR-1 c-90 5 pk.
13.	Maxell VHS video t-120 single
14.	Gemini t-120 VHS videotapes
15.	Memorex audio cassette dbs-90 5 pk.
16.	TDK cassette tape D-9OU 5 pk.
17.	Memorex High Standard t-120 tape 3 pk.
18.	Sony audio micro cassette 3mc60 3 pk.
19.	BASF VHS t-160 videotape
20.	Kodak VHS t-120 3 pk.

DISPOSABLE LIGHTERS

Rank	Item
1.	Bic disposable lighter 2
2.	Bic disposable lighter 5
3.	Bic mini-disposable lighter 3 pk.
4.	Scripto Turbo lighter 1
5.	Bic disposable lighter 1
6.	Bic mini-disposable lighter 2 pk.
7.	Scripto Mighty Match 1
8.	Scripto Avanti lighter 1
9.	Scripto Alpha Blue disposable lighter 1
10.	Scripto Ultra Lite 1

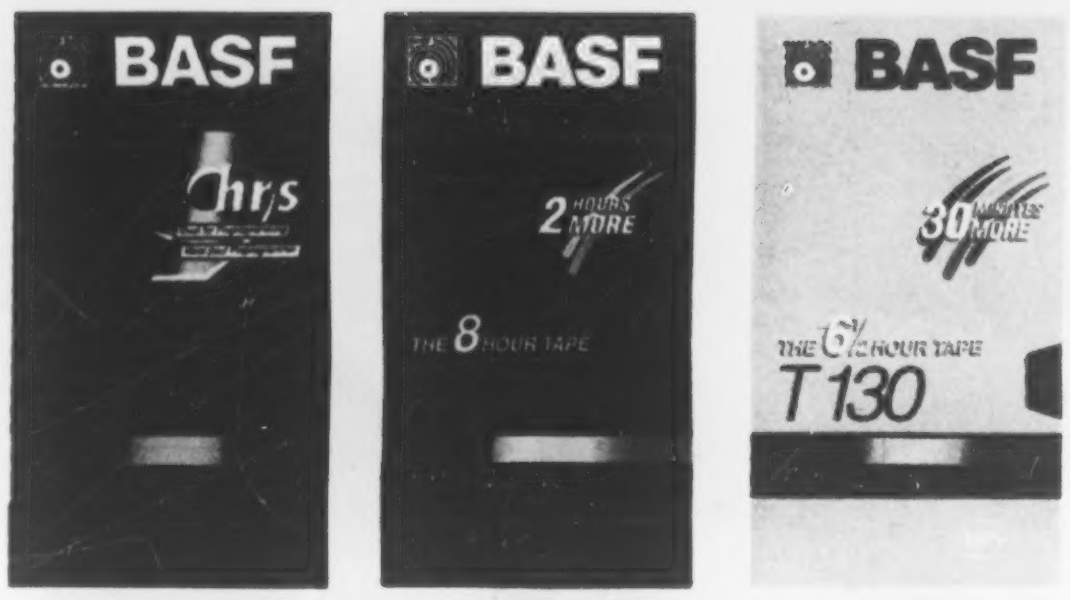
AUTOMOTIVE FLUIDS

Rank	Item
1.	Prestone anti-freeze 1 gal.
2.	Zerex anti-freeze 1 gal.
3.	Pennzoil 10w40 motor oil 1 qt.
4.	Pennzoil 10w30 motor oil 1 qt.
5.	Havoline Formula-3 10w30 1 qt.
6.	Quaker State 10w40 motor oil 1 qt.
7.	Havoline Supreme 10w40 1 qt.
8.	Pennzoil heavy duty 30w motor oil 1 qt.
9.	Sunoco 10w40 motor oil 1 qt.
10.	Quaker State 10w30 motor oil 1 qt.

Source: Towne-Oller and Associates, a subsidiary of IRI.

sell more videotape, sell hours.

For home video tapers, extra recording time means extra value. That's why longer-length videotapes are the fastest growing segment in the industry. And that's why BASF is the long-length leader. Only BASF gives consumers the T-130, T-160, *and* T-180, with an additional ½ hour, 2 hours, and 3 hours of recording time, respectively. That's an unbeatable choice of tape lengths for every recording need. With unmatched quality for recording at any speed. So stock up on BASF videotapes today. There's never been a better time to increase your profits.



The longer. The better.

The 100 Hottest Health & Beauty Aid Items

(Unit ranking 12 months through May, 1992)

Rank	Item	Rank	Item
1.	Ultra Slim Fast Chocolate R-T-D can 11 oz.	*51.*	Halls cough drop Honey/Lemon 40 pk. 9
2.	Fleets Enema 4.5 oz.	*52.*	Monistat-7 suppositories
3.	Scholl Air Pillo Double Comfort Insoles	*53.*	Listerine mouthwash 32 oz.
4.	Chap Stick Regular	*54.*	Rolaids 12s
5.	Tylenol Extra Strength gelcaps 50s	*55.*	Tic Tac Freshmint
6.	Advil tablets 24s	*56.*	Listerine mouthwash 3 oz.
7.	Robitussin DM syrup 4 oz.	*57.*	Imodium Anti-Diarrheal caplets 6s
8.	Q-Tips swabs 300s	*58.*	Crest Tartar control toothpaste tube 6.4 oz.
9.	Halls cough drop Mentho-lyptus bag 30s	*59.*	Blistik Lip Balm
10.	Crest Tartar gel tube trial .85 oz.	*60.*	Mylanta Liquid 12 oz.
11.	Gillette Sensor cartridge refills 5s	*61.*	Robitussin cough drops Cherry bag 25s
12.	Monistat-7 cream 1.59 oz.	*62.*	Tampax Super 32s
13.	Tylenol Extra Strength caplets 50s	*63.*	Tampax Super 8s
14.	Tylenol Extra Strength caplets 24s	*64.*	Vicks Vaporub 1.5 oz.
15.	Ricola Original-herb cough drops bag 21s	*65.*	Tylenol Infant Drops .5 oz.
16.	Halls cough drop Mentho-lyptus 40 pk. 9	*66.*	Bic disposable shaver 10s
17.	Carmex cream-ointment .25 oz.	*67.*	Listerine mouthwash 12 oz.
18.	Halls cough drop Cherry bag 30s	*68.*	Arm & Hammer dental care plaque paste trial 1 oz.
19.	Advil tablets 50s	*69.*	Colgate tartar paste tube trial .85 oz.
20.	Chap Stick Cherry	*70.*	Tylenol Extra Strength gelcaps 100s
21.	Halls cough drop Honey/Lemon bag 30s	*71.*	Clorets Gum 12s
22.	Aqua Net aerosol Extra Super 9 oz.	*72.*	Dimetapp Elixir 4 oz.
23.	Alka-Seltzer Plus tablets 20s	*73.*	Listerine mouthwash 6 oz.
24.	Halls cough drop Cherry 40 pk. 9	*74.*	Q-tips swabs 54s
25.	Tylenol Extra Strength gelcaps 24s	*75.*	Tylenol Extra Strength tablets 60s
26.	Blistex ointment .21 oz.	*76.*	Gillette Good News 5s
27.	Aosept disinfection & neutral solution 12 oz.	*77.*	Tampax Original Regular 32s
28.	Bausch & Lomb Renu disinfecting solution 12 oz.	*78.*	Gillette Good News 10s
29.	Halls Ice Blue cough drop 30s	*79.*	Gyne-Lotrimin vaginal cream 1.5 oz.
30.	NyQuil Night Time Cold Medicine 6 oz.	*80.*	Intensive Care lotion 10 oz.
31.	Gillette Sensor razor	*81.*	Mennen Stick Regular 2.5 oz.
32.	Centrum vitamins 130s	*82.*	Edge Protect Sensitive 7 oz.
33.	Bausch & Lomb Sensitive saline solution 12 oz.	*83.*	NyQuil Cherry Night Time cold medicine 6 oz.
34.	Bayer children's aspirin 36s	*84.*	Benadryl tablets 24s
35.	Benadryl 25mg. Kapseals 24s	*85.*	Robitussin DM syrup 8 oz.
36.	Aqua Fresh toothpaste 1.4 oz.	*86.*	Theraflu Cough & Cold 6 oz.
37.	Advil caplets 24s	*87.*	Crest tartar gel tube 6.4 oz.
38.	Sudafed 30mg. tablets 24s	*88.*	Chap Stick Strawberry
39.	Gillette Sensor cartridge refills 10s	*89.*	Colgate toothpaste 9 oz.
40.	Tylenol Extra Strength tablets 30s	*90.*	Robitussin cough drops Honey/Lemon stick 9
41.	Robitussin cough drops Cherry stick 9s	*91.*	Pepsodent fluoride toothpaste 6.4 oz.
42.	Afrin nasal spray .5 oz.	*92.*	Tampax Super Plus 8s
43.	Visine Original eye drops .5 oz.	*93.*	Fixodent Adhesive 2.4 oz.
44.	Imodium Anti-Diarrheal caplets 12s	*94.*	Tampax Original Regular 8s
45.	Ludens cough drop Wild Cherry 40 box 15	*95.*	Ultra Slim Fast Chocolate Royal Shk PW15
46.	Robitussin CF syrup 4 oz.	*96.*	Tylenol Extra Strength tablets 100s
47.	Bic Sensitive Skin disposable razor 10s	*97.*	Ludens Cough Drop Wild Cherry bag 30s
48.	Opti-Free disinfectant solution 12 oz.	*98.*	Colgate toothpaste 4.6 oz.
49.	Colgate toothpaste 7 oz.	*99.*	Suave Pump Extra-Hold 8 oz.
50.	Tylenol Extra Strength caplets 100s	*100.*	Arm & Hammer Dental Care Gel trial .9 oz.

Source: Towne-Oller and Associates, a subsidiary of IRI.

The 100 Hottest Health & Beauty Aid Items

(Dollar ranking 12 months through May 1992)

Rank	Item	Rank	Item
1.	Monistat-7 cream 1.59 oz.	*51.*	Oil of Olay lotion 6 oz.
2.	Monistat-7 suppositories	*52.*	Tampax original regular 32s
3.	Gyne-Lotrimin vaginal cream 1.5 oz.	*53.*	Scholl Air Pillo Dbl Comfort Insoles
4.	LifeScan 1-Touch test strips 50s	*54.*	Clear Blue Easy pregnancy kit single
5.	Tylenol Extra Strength Gelcaps 50s	*55.*	Tylenol Extra Strength gelcaps 24s
6.	Centrum vitamins 130s	*56.*	Trojan-Enz lubricated 12s
7.	Gyne-Lotrimin vaginal inserts 7s	*57.*	Ultra Slim Fast formula fruit juice 11 oz.
8.	Aosept disinfection & neutral solution 12 oz.	*58.*	Lotrimin anti-fungal cream 24 gm.
9.	Bausch & Lomb ReNu disinfecting solution 12 oz.	*59.*	Tylenol Infant drops 0.5 oz.
10.	Tylenol extra strength caplets 50s	*60.*	Fleet enema 4.5 oz.
11.	Gillette Sensor cartridge refills 10s	*61.*	Oil of Olay lotion 4 oz.
12.	Tylenol Extra Strength caplets 100s	*62.*	Glucostix reagent strips 50s
13.	Chemstrip BG 11 strips 50s	*63.*	Sudafed 30mg. tablets 24s
14.	Opti-Free disinfectant solution 12 oz.	*64.*	Gillette Sensor razor
15.	Tylenol Extra Strength gelcaps 100s	*65.*	Dimetapp Elixir 4 oz.
16.	Advil tablets 50s	*66.*	Tylenol Extra Strength tablets 30s
17.	Robitussin DM syrup 4 oz.	*67.*	Early Pregnancy Test stick double
18.	Exactech Blood Glucose Companion Meter	*68.*	Ensure Plus chocolate 8 oz. 6 pk.
19.	Gillette Sensor cartridge refills 5s	*69.*	Advil tablets 250s
20.	Ensure Plus vanilla 8 oz. 6 pk.	*70.*	Fixodent adhesive 2.4 oz.
21.	Advil tablets 24s	*71.*	NyQuil Cherry Night Time cold medicine 6 oz.
22.	Imodium Anti-Diarrheal caplets 12s	*72.*	Centrum Silver tablets 60s
23.	Ultra Slim Fast chocolate R-T-D can 11 oz.	*73.*	Robitussin CF syrup 4 oz.
24.	Advil tablets 100s	*74.*	Tylenol Extra Strength tablets 200s
25.	Early Pregnancy Test stick single	*75.*	Chemstrip BG strips 50s
26.	Glucofilm test strips 50s	*76.*	NyQuil Liqui Caps 12s
27.	Theragran M 130s	*77.*	Imodium Anti-Diarrheal caplets 6s
28.	Tylenol Extra Strength gelcaps 150s	*78.*	Ecotrin tablets 100s
29.	Fact Plus pregnancy kit	*79.*	Tampax Super Plus 32s
30.	Tylenol Extra Strength caplets 175s	*80.*	Listerine mouthwash 48 oz.
31.	Lifescan 1-Touch II blood/glucose system	*81.*	Primatene Mist/mouthpiece 15 ml.
32.	Tylenol Extra Strength tablets 100s	*82.*	Advil caplets 50s
33.	Robitussin DM syrup 8 oz.	*83.*	Mylanta liquid 12 oz.
34.	NyQuil Night Time Cold Medicine 6 oz.	*84.*	Advil caplets 24s
35.	Tylenol Extra Strength caplets 24s	*85.*	Alka-Seltzer Plus tablets 36s
36.	Chemstrip BG strips 100s	*86.*	Benadryl Elixir 4 oz.
37.	Ensure vanilla 8 oz. 6 pk.	*87.*	First Response pregnancy kit
38.	Q-Tips swabs 300s	*88.*	Benadryl tablets 24s
39.	Afrin nasal spray 0.5 oz.	*89.*	Boston Advance conditioning solution 4 oz.
40.	Fungi-Nail Tinacture 1 oz.	*90.*	Tylenol Elixir 4 oz.
41.	Ultra Slim Fast choc royal shake pdr 15 oz.	*91.*	Theraflu Cough & Cold 6 oz.
42.	Exactech BG test strips 50s	*92.*	Perdiem Granules 250 gm.
43.	Listerine mouthwash 32 oz.	*93.*	Benadryl 25mg. Kapseals 48s
44.	Lotrimin anti-fungal cream 12 gm.	*94.*	Gillette Atra Plus refill 10s
45.	Tracer BG strips 50s	*95.*	NyQuil Night Time cold medicine 10 oz.
46.	Nix lice treatment 2 oz. twin	*96.*	Primatene Mist refill 15 ml.
47.	Tylenol Extra Strength tablets 60s	*97.*	Bausch & Lomb sensitive saline 12 oz.
48.	Alka-Seltzer Plus tablets 20s	*98.*	Advil caplets 100s
49.	Tampax Super 32s	*99.*	Gillette Good News 10s
50.	Benadryl 25mg. Kapseals 24s	*100.*	Nix lice treatment 2 oz.

Source: Towne-Oller and Associates, a subsidiary of IRI.

Rx-to-OTC and home test products dominate list

Rx-to-OTC switches hold the first three spots in our Triple A survey and one in five on the Top 50 list are home testing kits for diabetes or pregnancy. Toiletries were edged out by quick turning staples such as analgesics and diet aids.

By Barbara White

Monistat 7 and Gyne-Lotrimin, in one formulation or another, remain the darlings of the HBA category. Since their Rx-to-OTC switches a few years ago, the products have been turning at impressive rates. Yearly dollar sales growth in this young category have been averaging 5.7 percent, according to Ortho's Advanced Care Products.

That's no surprise, considering that 12.6 million women a year will experience at least one yeast infection.

Self-diagnosis, testing

Patients have learned to recognize symptoms and can often diagnose the problem themselves.

The Triple A study indicates that customers are not only diagnosing themselves, but are testing and monitoring themselves as well. Of the top 50 products, one in five is a test kit or strip.

Pregnancy kits occupy two of the top 30 spots, but diabetic testing replacement equipment is the real mover in this category.

This trend is expected to continue as blood glucose monitors drop in price and advances in technology make the kits easier to use.

Analgesics and cough/cold products also placed strongly in the Triple A survey. New York-based market research firm Packaged Facts expects that the analgesic category alone will grow to $5.9 billion in volume by 1995.

Aggressive marketing and advertising by manufacturers is driving the analgesic category in part, as is the aging of the population and the stress of the everyday world.

Manufacturers have been segmenting the market, introducing more SKUs than retailers know what to do with and creating a little stress for merchants trying to manage their shelves.

Headaches from cough/cold

Segmentation and blurred distinctions also gave retailers a headache in the cough-/cold category. Retailers and consumers alike may have found it hard to differentiate between night-time and daytime medication, non-drowsy formulations and multi-use products, but sales prove that the category is strong.

The meal replacement category grew with line extensions and the vitamin business was down a bit.

Gillette's Sensor cartridge refills continued to capture a lion's share of sales on the toiletry end of drug store's HBA department.

Gillette's introduction of its new line of men's toiletries under the Gillette Series name should only add more fuel to the golden product.

HBA: Wait 'til next year

The only beauty items that made the Top 100 list carried the Oil of Olay name. Staples, such as feminine hygiene items, knocked impulse buys out of the charts.

The boom in bath products and new introductions in professional hair care, plus a focus on value in other segments of the hair and skin care category may give beauty aids more of a presence in next year's charts.

For 1991-92, it seems that considering the recessionary times, the American consumer felt a greater need for analgesics and antacids than beauty aids.

Treats, protects & helps **prevent** cold sores, sun & fever blisters.
HERPECIN-L®
Cold Sore Lip Balm. *"It Works!"*
Write: CAMPBELL LABORATORIES, INC.
P.O. Box 812-A, FDR, NY, NY 10150

The **sun** is the **major cause of** cold sores called lip **sun blisters.**
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NEW & DIFFERENT!
FRESH BREATH GUARANTEED
0% ALCOHOL COMPARE!
CHOICE
CLEAR
THE ALCOHOL-FREE MOUTHWASH
16 FL OZ
0%

Introducing Clear Choice.™
The Alcohol-Free Mouthwash.

Your mouthwash shelf is loaded with alcohol. Some brands contain up to 27% by volume. You need an alcohol-free alternative to bring new users into this important category.

New Clear Choice, the alcohol-free mouthwash from Bausch & Lomb, has a unique clear formula that appeals to today's health-conscious consumers. They rated it as good or better than their current brand on key attributes.*

And that's not all. Clear Choice gives you a sparkling opportunity to pump new life into your mouthwash sales. In fact, 44% of non-users and dropouts who tried Clear Choice said they'd probably or definitely buy.* Which means incremental sales and profits for you. Lucrative trade and high-impact consumer and professional programs will drive sales and profits even higher.

So call your Bausch & Lomb business manager today. Tell him you want to ride the new wave in mouthwash. But hurry. It's hitting stores across America now.

BAUSCH & LOMB

*Data on file at Bausch & Lomb

Consumers stock up on top ranking GM products

The tight economy has consumers entertaining themselves at home this year and it shows in booming sales items like batteries, videotapes and audio tapes that hold top positions in the Triple A survey's general merchandise charts.

By Allene Symons

The general merchandise Triple A rankings reflect consumer loyalties driven by brand promotions. Many of these highly consumable GM products are bought as pantry items by shoppers who don't want to run out.

Studies have repeatedly shown that when shoppers stock up on certain items, they consume more. And in tight-budget times, the stay-at-home trend pushes GM sales up in categories ranging from batteries and film to videotape and audio tape.

Batteries charged on this year, boosted by multi-pack sales. The mini-baby boom's toy usage helped keep batteries busy, even though there were few new battery-eating devices.

The top battery consumable, AA alkaline, topped the list of course, with major ad and promotion programs driving the big brands Duracell and Eveready/Energizer. And starting its upward move from the bottom of the list this year was the lithium/photo battery.

This type nearly doubled (from 4.4 percent in 1990 to 8 percent of battery sales in 1991), a subcategory on the move in drug stores driven by the growing use of 35mm cameras.

In film, the all-purpose convenience and promotability of 35mm 200 ISO film continued to impact the top slot in unit sales, while in dollars Polaroid 600 Plus film led the pack.

In relation to other film types, 35mm grew more than four percent in 1991, according to the Photo Marketing Association. And film sales for the future are looking rosier, thanks to new, easier-to-use cameras coming on the market—and from the hot new single-use cameras.

Reports buyer Leonard Myers of PayLess: "Single use cameras are excellent. The category is still growing and will continue to grow." Still climbing after two years on the market, the disposables are introducing new shooters to the hobby and luring back former photo buffs.

Blank videotape sales grew 6 percent in units in 1991. Topping the charts, t-120 remains the bread-and-butter, with Memorex hi-standard t-120 leading in units and dollars.

Dollar sales may not recapture the peak of 1986 but are still projected to improve. That's because demand for high-grade video is growing, as more consumers buy quality-sensitive VCR hardware and make pricier videotape purchases. It's a plus for the retailer, since these higher rings mean heftier margins.

In blank audiotape, the growing number of CD players is driving sales of higher quality and longer-length cassettes. But sharp multi-pack pricing still pushes the numbers, say buyers like Chris Suman at Hyde Drug, who notes: "Some consumers are looking for the least expensive, others want better quality and are willing to pay for it."

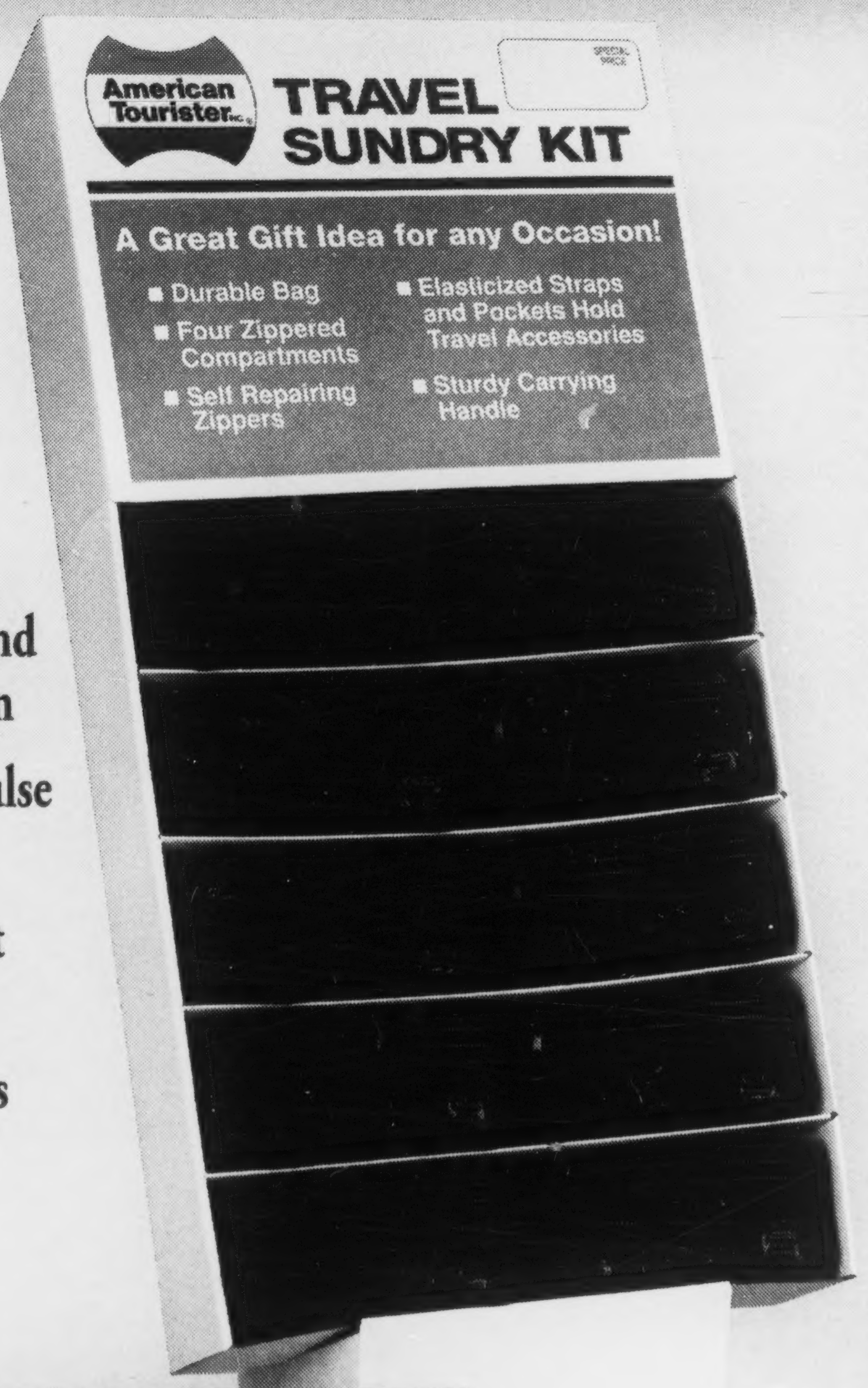
Disposable lighters continue to move out in multipacks with Bic's duo leading in dollars and units. Even with declining cigarette sales, new styles, colors and multipacks keep the lighter category from slipping.

Smokers don't just need a handy light, often they want to keep lighters in several convenient places, which adds up to unit sales of around 600 million per year. Plus smokers have a new choice at the checkout, since child-resistant lighters are just reaching the market.

American Tourister INC.®

THE PERFECT PROFIT MOVING PROMOTION

New American Tourister Travel Sundry Kit Floor Displays

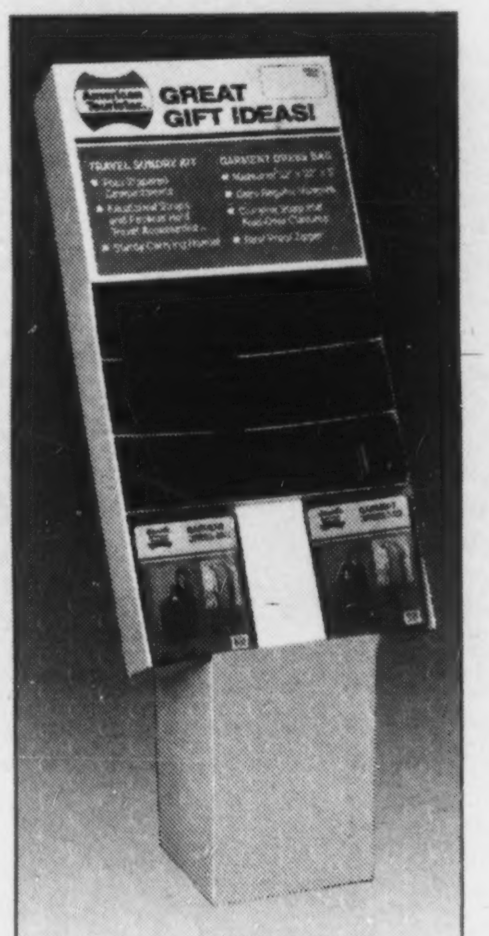

American Tourister INC.
TRAVEL SUNDRY KIT
SPECIAL PRICE
A Great Gift Idea for any Occasion!
■ Durable Bag
■ Four Zippered Compartments
■ Self Repairing Zippers
■ Elasticized Straps and Pockets Hold Travel Accessories
■ Sturdy Carrying Handle

- Strong Brand Recognition
- Great Impulse Purchase
- High Profit Margins
- Quick Sales Turn

Americans are on the move – Holidays, Vacations, School, Business, Weekends. Capitalize on their travel needs with the perfect display.

The Travel Sundry Kit Display contains twenty handsome, durable polyester toiletry bags which boast four convenient zippered compartments. Great for impulse gift or self purchases!

A Combination Display is also available packed with twelve Sundry Kits (3 each - navy, black, green and khaki) and eight Garment Dress Bags (4 each - grey and black). Perfect for toting hanging garments or safe storage, its extra length easily accommodates dresses or coats.



Model T-801 BKD

Cash in on incremental sales and extraordinary profits! Immediate delivery on both displays.

American Tourister, a prominent travel leader, offers a broad product line from luggage tags to locks to neck rests for year round profits.

American Tourister Travel Accessories are exclusively distributed by Franzus Company, Inc. To order, or for more information, contact Franzus – Murtha Industrial Park, Beacon Falls, CT, 06403; Tel. (203) 723-6664; Fax (203) 723-6666.

- Contains twenty American Tourister Sundry Kits (5 each - navy, black, green and khaki)
- Assembled Display Dimensions – 24"W x 64"H x 18"D
- 100% Recyclable Display

Model T-800 SKD

American Tourister INC.® by FRANZUS™

A NEW SOURCE FOR PROFITS

American Tourister is a registered trademark of American Tourister, Inc.

Screens burning UVB & also **blocks** penetrating UVA rays.

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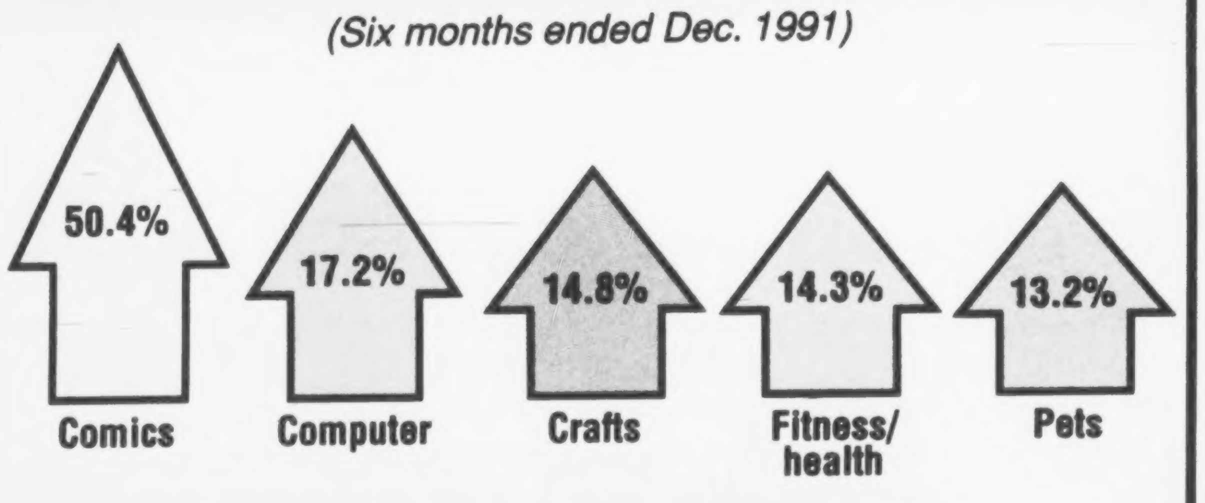
Top magazine category growth

(Six months ended Dec. 1991)



Source: Curtis Circulation Fas-Fax/Audit Bureau of Circulation.

Tracking the trends in a mixed book, magazine market

Soft book and magazine sales reflect the recession, but hot categories like comics, health, crafts, gardening and paperback best sellers signal that busy customers will gladly pay for relevant information and time-out entertainment.

By Allene Symons

You can tell a lot about a country from its covers. These days, more men and women are concerned about computers, health and hearth along with home-based interests like how-to, pets and crafts. What's more, they're buying magazines on these subjects in record numbers while at the same time many big-name magazines are losing readers.

Meanwhile, kids are blowing allowance on comics like never before. The explosion in comics was responsible for the first upswing in overall single-copy magazine sales since 1987.

As Walgreens spokesman Michael Polzin reports: "Magazines are soft overall, as magazines in general have suffered from the recession," but he adds, "we carry comic books and those are selling well."

On the bookshelf, paperback bestseller reprints are still a prime impulse sale. "Best sellers are always strong with us," said the buyer of a southeast chain. Since her book and magazine departments are serviced by independent distributors, she explains: "I only see the paperback numbers in general, but I can see movement when I go into the stores."

Many retailers are finding ways to feature bulk displays of new-release titles for category excitement and extra display allowance. Others, like discounter Drug Barn in Northern California, offer good deals on yesterday's best sellers, piling them high to convey value in recessionary times.

Special sales

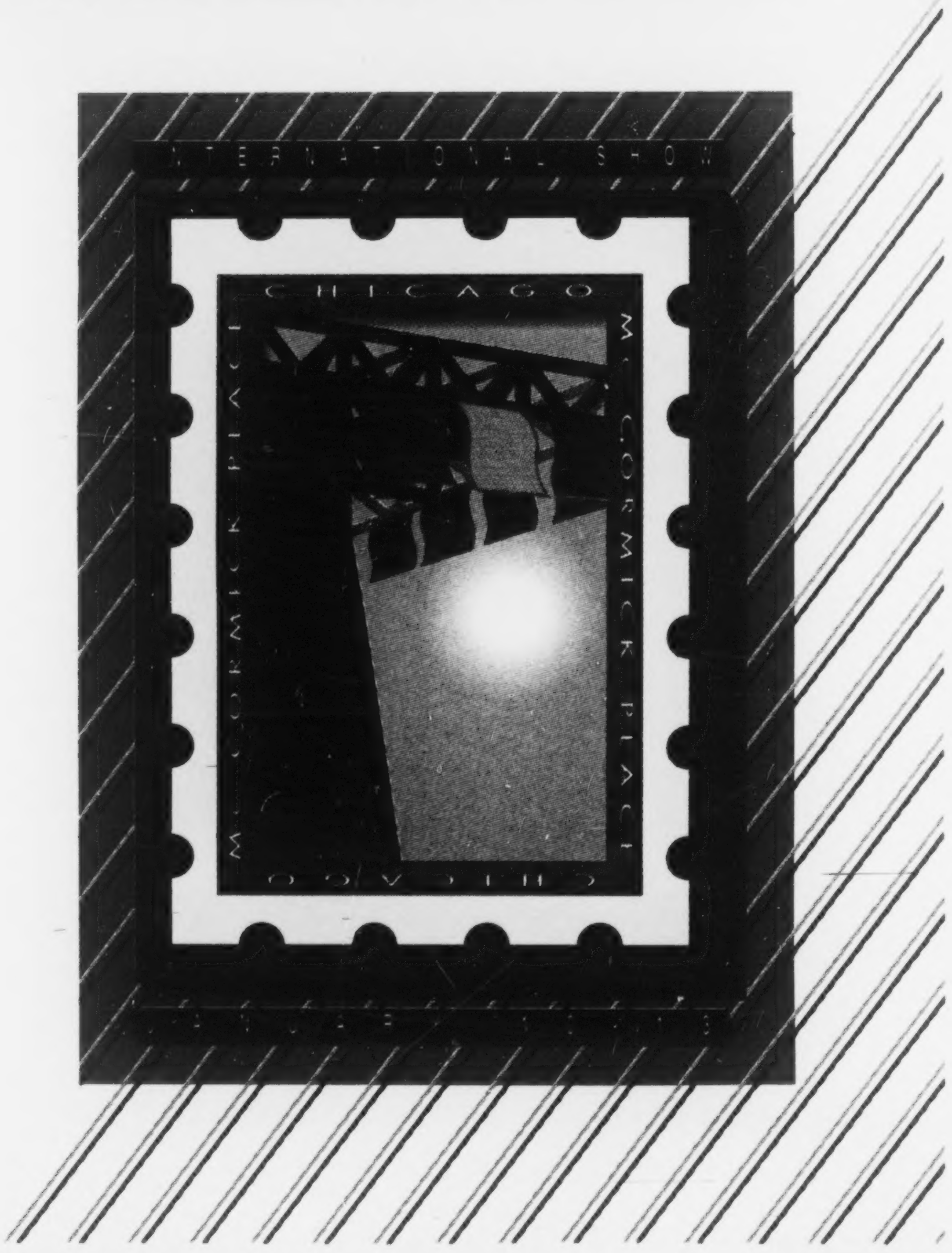
Despite unit decline in many big checkout titles like *Woman's Day*, *Ladies' Home Journal*, *Life* and *Family Circle*, special interest publications are the growth stock in magazine sales. A slight upturn in magazine sales for the first quarter of 1992 was boosted by these special-appeal publications.

According to Brian McDonnell of the Magazine and Paperback Marketing Institute in New York: "Growth is coming from vertical interest. If I'm a guitar player, it's not enough to have a music magazine. I want *Guitar Player.* I might want *Acoustic Guitar.* The consumer is looking for specific magazines and he will pay for it if that will help him with his hobby."

Comics racked up a whopping 50.4 percent unit increase in the last half of 1991 compared with the same period in 1990, according to the most recent figures from the Audit Bureau of Circulation

Continued on page 50

1993 STARTS ON JANUARY 10.



If you're in the Housewares business, the New Year officially begins at the 1993 International Housewares Show, January 10-13, McCormick Place, Chicago.

More than 50,000 housewares professionals will be there. Including 2,000 exhibiting companies previewing exciting new products for every room in the home: kitchenware, personal care and home electrics, ready-to-assemble furniture, decorative accessories, and much more. There's no bigger event in international housewares. Don't be one of the few to miss it. This year, you can save the $20 on-site admission (and avoid waiting in long lines) by pre-registering. To pre-register in one simple phone call – or to have a Pre-Registration Kit sent to you – call Rogal America toll-free at (800) 775-0505.

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Tracking trends in mixed book, magazine market

Continued from page 48

(ABC). Due to the spectacular performance of comics, single copy sales were up 4.3 percent in units. Excluding comics, single copy sales would have been down 3.4 percent.

With a category growth rate like this, it's clear that young "readers" can't be ignored. The appeal is visual, but since words move the story many parents and educators agree that when you get a kid started on comics, he or she is on the road to reading.

In the Southeast, a distributor arranged for this custom-tailored display for one drug chain: it's a dual-sided permanent rack for comic books, including a wire spinner and room for a cardboard feature display.

The same buyer also observes that "there seems to be lot of introductions in the computer area. My guess is that they wouldn't be publishing if they weren't growing."

In fact, computer magazines followed comics in single-copy sales growth with a 17.2 percent unit increase in the second half of 1991. Other growth subcategories included crafts with a 14.8 percent increase and health/fitness, up 14.3 percent. Pets also came on strong with a 13.2 percent increase in the second half of 1992.

To stimulate sales and catch changing demographics, magazine publishers are turning out new titles, covers, themes and promotions.

A healthy read

Last year, *Details* converted from a unisex urban trend magazine to a men's fashion publication. *Penthouse* just made a radical change from its usual X-rated fare to G-rated celebrity portrait covers in an effort to expand distribution.

After the startup glut of the mid-1980s, many new magazines in the 1990s are tightly targeted—after careful market study—in cross-hair pursuit of consumers' disposable income.

"We launched *Men's Health* very slowly," with one issue in 1987, leading up to six in 1992 and nine in 1993, reports Richard Alleger, corporate director of retail sales for Rodale Press, who notes that *Prevention* rose 26 percent in single-copy sales in the first half of 1992.

This year it launched *Quick and Healthy Cooking* in March, and will debut a new women's magazine next year. "It's not just health and fitness as much as it will address women across the board—emotionally, physically, and it will also take on issues going on in Washington," says Alleger.

Prevention *networks video*

Prevention magazine went video this summer when its Personal Health Library debuted on the network of Personal Health Centers (PHC). The electronic centers, introduced last year by Advanced Interactive Video, Inc. of Columbus, Ohio, are pharmacy-based electronic information and sales systems. They include standing blood pressure monitors, a 20-inch overhead TV, public service announcements, advertising and promotional messages.

The dramatized 30-second video spots cover three articles per topic based on *Prevention* articles and books. An example is *The Cold War* with segments entitled "Stress and Colds," "Blister Relief," and "Colds, Kids & You." Other topics include "Good Vision Tips," "Ease Your Painful Back," "Skin and Beauty" and others.

An interactive touch screen linked to a second TV provides access to drug directories with information about OTC medications and prescription drugs. By touching the screen, consumers can select electronically displayed material or choose a hard copy printout.

Pilot programs were installed this summer in Wal-Mart, Phar-Mor, Target and Shopko. Jo-Ann Kelly, sales promotion director for *Prevention*, says the video isn't designed to serve as a substitute for pharmacy counseling; it should enable a patient to access information which could be used as a basis for discussion with a pharmacist. "Customers don't always know what their questions are. This way they can read the information on the screen, touch a button and it will print out for them."

With Visa's latest promotion, you'll have to display some signs. Especially if you win.

Gone on vacation!

While you might be used to seeing signs that you need a vacation, now there are signs that can help you actually win one. Just enter the Visa® "Anywhere You Want To Be" merchant sweepstakes.

Simply give us a call or fill out the entry form, and we'll send you several small signs to display near your cash register. These signs will tell your customers that by using their Visa cards to make a purchase, they could win a vacation to "Anywhere They Want To Be."

But they're not the only ones who can win. We'll also be selecting 32 lucky merchants who will get to go anywhere they want to be. If your entry is chosen and the Visa signage is properly displayed when our mystery shopper visits your store, between November 23 and December 24, you can win the vacation of your dreams.

So get your entry in ASAP. Or call 1-800-538-2700 to sign up by phone. After all, you not only deserve a vacation. We thought a promotion would be nice as well.

Please enter me in the "Anywhere You Want To Be" Sweepstakes

☐ Send me FREE P.O.P. materials (table tent, register sticker, and ad slick)

Your Name (must be a manager)

Store Name

Store Address

City State Zip

Store Phone Number

Type of Business Number of Cash Registers

Complete and mail to:
Visa "Anywhere You Want To Be"
Merchant Sweepstakes,
P.O. Box 7351,
Villa Park, IL 60181-7351.
Must be received by Nov. 16, 1992.

54-555

VISA

NO OBLIGATION OR PURCHASE NECESSARY. To enter and receive a free point-of-purchase (P.O.P.) kit call 1-800-538-2700 or complete entry form and mail to: Visa Merchant Sweepstakes, P.O. Box 7351, Villa Park, IL 60181-7351. Alternatively, for entry only, hand print your store name and address, phone number, your name, title and "Visa. It's Everywhere You Want To Be" on a 3" x 5" card and mail to: Visa Merchant, P.O. Box 8606, Elmhurst, IL 60126-8606. One entry per envelope; no mechanical reproductions. Entries must be received by 11/16/92. Void where prohibited. 32 prizes will be awarded in random drawings on or around 11/17/92. Stores selected in drawing must conspicuously display Visa "Anywhere You Want To Be" P.O.P. signage near cash register or payment location between 11/23/92 and 12/24/92 to win prizes. Selected stores will be mystery shopped to determine compliance. Alternate entries selected will not be mystery shopped. Each prize is a trip for two to "Anywhere You Want To Be" with a total value not to exceed $15,000. Trip will be awarded as follows: $9,000 travel allowance to be used for travel related expenses; $1,000 in Visa Travelers Cheques; and $5,000 cash applicable towards taxes on prize. Winner must execute affidavit of eligibility, in a timely manner. Winner and their travel guest must execute a liability/publicity release. Travel subject to availability and must be completed by 12/31/93. Sweepstakes open to store owners/management (18 years and older) of retail establishments in the continental U.S., Alaska and Hawaii accepting Visa cards as method of payment as of 11/16/92. Employees and immediate families of employees of Visa U.S.A. Inc. and Visa International Service Association, their subsidaries, affiliates, Member financial institutions, and advertising and promotion agencies of Visa are ineligible. For complete details, see full official rules available by sending a self-addressed, stamped envelope to: Visa Merchant/Rules, P.O. Box 8610, Elmhurst, IL 60126-8610. Promotion ends 12/24/92. Odds of winning depend on number of eligible entries.

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Rite Aid's revenues, earnings up in 2nd qtr.

CAMP HILL — Rite Aid Corporation's corporate revenues for the second quarter ended Aug. 29 advanced 9.2 percent to $983.44 million from $900.67 million for the same period one year earlier. Second quarter earnings increased 8.5 percent to $27.22 million from $25.09 million for the year before.

Sales for the 26 weeks climbed 8.8 percent to $1.97 billion from $1.81 billion and net income rose 11.6 percent to $60.23 million from $53.99 million.

Second quarter drug store sales grew 8.6 percent to $921.60 million for the quarter from $849.01 million. Earnings advanced 5.9 percent to $24.97 million from $23.59 million a year earlier. Year-to-date sales increased 8.1 percent to $1.84 billion from $1.71 billion. Net income advanced 10.7 percent to $55.33 million, compared to $49.99 million for the year-earlier period.

Same-store sales, which increased 5 percent for the quarter, were damaged by the timing of Labor Day, which fell in the third quarter this year as opposed to the second quarter last year. Same-store sales increased 5.8 percent for the 26-week period.

The chain was also affected by Hurricane Andrew, which caused damage in a number of the chain's locations in Florida and caused many of them to be closed for several days.

Albertson's posts record sales

BOISE, Idaho — Albertson's announced record sales for the period ended July 30 of $2.6 billion, up 18.8 percent from $2.19 billion in the same period last year. Net earnings were up 12.5 percent to $66.0 million from $58.7 million, while operating profit increased 21.8 percent for the comparative quarter. Same-store sales for the 13-week period increased 0.8 percent.

Year-to-date sales were $4.9 billion, up 12.6 percent from $4.4 billion for the same period last year, although same store sales were flat for the 26 weeks. Net earnings were $92.0 million compared to $117.3 million last year, which reflects one-time costs associated with the Jewel Osco acquisition in April.

Remodels were completed on 15 stores for a total of 23 year-to-date. Five stores were opened in the 13 weeks for a total of 83 for the 26-week period (including Jewel Osco acquisition), while five stores were closed year-to-date. Albertson's currently operates 640 stores in 19 Western, Midwestern and Southern states.

Buttrey sales down, net income up

GREAT FALLS, Mont. — Buttrey Food and Drug Stores reported a second quarter decrease in sales of 10.1 percent, from $128.2 million to $115.3 million in the same 13-week period last year. Sales posted for the 26-week period decreased 6.1 percent from $244.5 million in 1991 to $229.4 million in 1992.

The second quarter sales decrease reflects an 11.1 percent decline in comparable store sales (7.2 percent YTD) as the chain continues to be impacted by new competition in some markets, remodeling by certain competitors, price deflation in food categories and general economic conditions.

According to president and ceo Ed Agnew, Buttrey has implemented cost reduction programs such as restructuring of store management teams in certain markets. In some cases these have resulted in sales declines but are intended to enhance the company's long-term competitive position.

Buttrey reported net income for the 13-week period up 181.0 percent, from $916,000 to $2,574,000. Gross profit for the period decreased, but increased 1.2 percentage points as a percent of sales, or from 24.4 percent to 25.6 percent (this improvement reflects elimination of a non-cash charge for amortization of a supply agreement with American Stores).

MARKET DIARY:

Largest Dollar Gainer	Teva Pharm., J.C. Penney	$ 2.13
Largest Dollar Loser	Lilly Eli Co.	$ − 5.63
Largest Percentage Gainer	Columbia Labs	19.44%
Largest Percentage Loser	Barr Laboratories	−21.69%

Advances	19
Declines	41
Unchanged	2
New highs	2
New lows	6

	Close 9/15/92	Close 9/29/92	Net Change	Percent Change
Drug Store News Index	4635.26	4531.35	−103.91	−2.24
Dow Jones Industrial Average	3327.32	3266.80	− 60.52	−1.82
Standard & Poor's 500-Stock Index	419.77	416.80	− 2.97	−0.71
N.Y.S.E. Composite	231.04	228.90	− 2.14	−0.93
Value Line Index	249.66	245.83	− 3.83	−1.53

Source: Nordby International Inc., Boulder, Colo.

DRUG STORE NEWS INDEX

Exch	Company	Ticker Symbol	Closing Price 9/15/92	Closing Price 9/29/92	Net Change In Period	Percent Change In Period	P/E Ratio	Annual Dividend		Annual	
								Rate	Yield	High	Low
Chain store transactions											
OTC	Accuhealth Inc.	ACCU	5.38	4.88	−0.50	− 9.30	14	0.00	0.00	5.75	3.47
OTC	Arbor Drugs	ARBR	21.50	21.63	0.13	0.58	23	0.12	0.55	25.25	17.50
OTC	Big B	BIGB	14.00	14.13	0.13	0.89	14	0.20	1.42	16.25	10.63
OTC	Drug Emporium	DEMP	4.75	4.63	−0.13	− 2.63	—	0.08	1.73	9.25	3.63
NYS	Fay's Inc.	FAY	8.00	7.50	−0.50	− 6.25	14	0.20	2.67	10.09	6.59
ASE	Genovese Drug	GDX.A	8.25	7.88	−0.38	− 4.55	8	0.24	3.05	14.75	7.50
NYS	Longs Drug Stores	LDG	34.88	35.25	0.38	1.08	13	1.12	3.18	40.00	33.13
OTC	Medicine Shoppe	MSII	25.75	23.50	−2.25	− 8.74	17	0.36	1.53	30.75	22.50
NYS	Perry Drug	PDS	8.25	8.63	0.38	4.55	11	0.00	0.00	11.63	6.75
NYS	Rite Aid Corp.	RAD	20.88	22.63	1.75	8.38	15	0.52	2.30	22.63	17.25
NYS	Walgreen Co.	WAG	38.13	38.00	−0.13	− 0.33	22	0.52	1.37	39.75	28.63
Wholesaler's transactions											
ASE	Bergen Brunswig	BBC	19.88	18.25	−1.63	− 8.18	14	0.40	2.19	22.63	16.00
OTC	Bindley Western Ind.	BIND	15.63	14.13	−1.50	− 9.60	9	0.04	0.28	20.75	13.50
OTC	Cardinal Distribution	CDIC	28.50	29.00	0.50	1.75	21	0.08	0.28	38.75	22.50
OTC	Durr-Fillauer	DUFM	32.75	33.13	0.38	1.15	24	0.28	0.85	33.50	17.50
NYS	FoxMeyer Corp.	FOX	12.38	11.50	−0.88	− 7.07	12	0.28	2.43	16.63	10.38
NYS	McKesson Corp.	MCK	38.00	38.25	0.25	0.66	43	1.60	4.18	40.13	30.25
ASE	Moore Medical (H)	MMD	9.00	9.63	0.63	6.94	21	0.00	0.00	11.13	3.00
NYS	Owens & Minor	OMI	17.88	17.50	−0.38	− 2.10	17	0.24	1.37	24.25	16.50
Manufacturer's transactions											
NYS	Abbott Labs	ABT	30.00	28.38	−1.63	− 5.42	20	0.60	2.11	34.88	26.13
NYS	American Home Products	AHP	71.13	67.50	−3.63	− 5.10	15	2.60	3.85	86.25	66.63
ASE	Barr Laboratories	BRL	10.38	8.13	−2.25	−21.69	271	0.00	0.00	37.50	5.88
NYS	Baxter International (L)	BAX	34.75	32.88	−1.88	− 5.40	16	0.84	2.56	40.88	32.88
OTC	Block Drugs Co.	BLOCA	47.25	46.50	−0.75	− 1.59	14	0.88	1.89	61.00	42.50
ASE	Bolar Pharmaceutical	BLR	9.75	8.88	−0.88	− 8.97	—	0.00	0.00	14.50	5.38
NYS	Bristol-Myers Squibb	BMY	67.25	63.75	−3.50	− 5.20	16	2.76	4.33	90.13	62.00
NYS	Carter-Wallace	CAR	28.13	27.00	−1.13	− 4.00	27	0.32	1.19	45.84	22.88
ASE	Columbia Labs	COB	4.50	5.38	0.88	19.44	—	0.00	0.00	10.38	4.00
ASE	Del Laboratories	DLI	19.13	19.13	0.00	0.00	13	0.28	1.46	24.38	16.88
ASE	Forest Labs	FRX	38.50	35.00	−3.50	− 9.09	29	0.00	0.00	42.88	30.00
ASE	Halsey Drug	HDG	7.00	6.38	−0.63	− 8.93	21	0.00	0.00	9.75	5.63
NYS	ICN Pharmaceutical	ICN	7.25	7.13	−0.13	− 1.72	17	0.00	0.00	25.38	5.63
NYS	Johnson & Johnson	JNJ	50.50	47.63	−2.88	− 5.69	20	0.92	1.93	58.69	42.38
ASE	Lee Pharmaceutical	LPH	1.13	1.00	−0.13	−11.11	—	0.00	0.00	2.13	0.75
NYS	Lilly Eli Co. (L)	LLY	67.88	62.25	−5.63	− 8.29	13	2.20	3.53	87.75	62.25
NYS	Marion Merrell Dow	MKC	27.63	26.25	−1.38	− 4.98	11	1.00	3.81	39.00	25.75
NYS	Merck Co.	MRK	47.50	44.00	−3.50	− 7.37	22	1.00	2.27	56.59	42.25
NYS	Mylan Labs	MYL	26.88	26.38	−0.50	− 1.86	47	0.12	0.45	27.50	15.75
NYS	Novo-Nordisk	NVO	94.00	93.13	−0.88	− 0.93	17	0.60	0.64	96.75	72.75
OTC	Nutramax Products	NMPC	8.13	8.25	0.13	1.54	20	0.00	0.00	12.50	6.75
NYS	Pfizer Inc.	PFE	79.63	74.50	−5.13	− 6.44	33	1.48	1.99	87.00	62.75
NYS	Pharmaceutical Resources	PRX	5.38	6.38	1.00	18.60	—	0.00	0.00	8.00	3.25
NYS	Rhone-Poulenc Rorer (L)	RPR	50.25	46.00	−4.25	− 8.46	18	0.72	1.57	69.38	46.00
NYS	Schering Plough	SGP	59.38	56.13	−3.25	− 5.47	17	1.56	2.78	68.00	49.88
NYS	Syntex Corp. (L)	SYN	28.38	26.38	−2.00	− 7.05	13	1.04	3.94	56.00	25.75
OTC	Taro-Vit Industries	TAROF	7.75	7.63	−0.13	− 1.61	64	0.00	0.00	12.75	3.88
OTC	Teva Pharmaceutical Ind. (H)	TEVIY	27.13	29.25	2.13	7.83	29	0.16	0.55	30.75	15.00
NYS	Upjohn Co.	UPJ	34.50	33.25	−1.25	− 3.62	11	1.48	4.45	47.75	31.00
NYS	Warner-Lambert	WLA	66.25	63.13	−3.13	− 4.72	45	2.04	3.23	79.25	58.38
OTC	Zenith Labs	ZENL	13.00	13.75	0.75	5.77	—	0.00	0.00	24.50	9.63
Other retailer transactions											
NYS	Albertson's	ABS	44.88	44.13	−0.75	− 1.67	24	0.64	1.45	47.50	32.75
NYS	American Stores	ASC	39.13	39.75	0.63	1.60	18	0.68	1.71	40.38	26.00
NYS	Giant Food (L)	GFS.A	18.00	17.88	−0.13	− 0.69	15	0.68	3.80	26.25	16.88
NYS	Great Atlantic&Pacific Tea (L)	GAP	26.50	24.75	−1.75	− 6.60	—	0.80	3.23	35.25	24.75
NYS	Kmart	KM	24.25	25.00	0.75	3.09	13	0.92	3.68	27.50	19.06
NYS	Kroger	KR	12.75	12.25	−0.50	− 3.92	13	0.00	0.00	21.13	11.25
NYS	Melville Corp.	MES	50.50	49.88	−0.63	− 1.24	15	1.48	2.97	52.00	38.25
OTC	Fred Meyer	MEYR	26.63	26.63	0.00	0.00	14	0.00	0.00	29.25	19.75
NYS	Penney, JC	JCP	68.63	70.75	2.13	3.10	25	2.64	3.73	73.50	47.25
NYS	Safeway	SWY	10.50	10.00	−0.50	− 4.76	19	0.00	0.00	20.25	10.00
NYS	Smith's Food & Drug	SFD	32.63	34.50	1.88	5.75	20	0.44	1.28	43.25	25.75
NYS	Wal-Mart	WMT	58.50	58.88	0.38	0.64	38	0.20	0.34	59.88	45.25

Key: (H) = New annual high reached in the bi-weekly period. (L) = New annual low reached in the bi-weekly period. (d) = Deficit. NYS = New York. ASE = American. OTC = Over the counter. (s) = Reflects stock split.

Source: Nordby International, Inc., Boulder, Colorado (303) 449-0326.

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SECOND CLASS

Vol. 14 No. 19

A Lebhar-Friedman publication

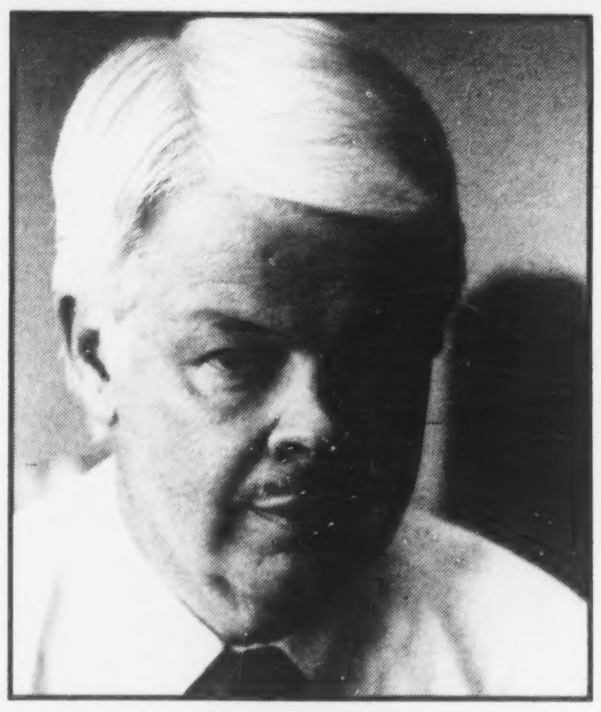
Drug chains grapple with shift to EDLP

By Mike Troy
and Jim Frederick
with Al Heller

Is everyday low price a threat or a boon to the chain drug industry?

The answer depends on who you ask. Moves by Procter & Gamble and other suppliers to jettison their longstanding policies regarding deal pricing and trade allowances over the past year have been welcomed by some, particularly by operators who can counter lower revenues on the buy side with high volumes and low operating costs on the sell side. But the shift to everyday low price, or EDLP, is meeting staunch resistance from many drug and food retailers and wholesalers.

The reasons are clear: most drug chains can't possibly emulate the kind of super-efficient, high-volume retailing practiced by Wal-Mart and other adherents of EDLP who can close the productivity loop with fast turns, low everyday prices and low operating costs. And while most chain drug executives say they can live with a flexible form of contract pricing vis-a-vis their suppliers, most say they can't part with the kinds of deal opportunities and promotional allowances they need to build margins and draw customers.



Peterson
Eckerd

> *'We think EDLP doesn't work that well in our industry. We see it as a negative in our industry.'*

"Like most drug chains, we have to make our money on the buy as well as the sell side," said Stephen Lund, vp of merchandising at Perry Drug Stores. "We have to promote to compete in heavily contested consumables, and just having an everyday low price doesn't cut it for us. When you flatten the [deal] curve out, you no longer have the ability to price as competitively." He added, "The manufacturer has taken away the thing we worked so hard for so long to perfect."

Lund's comments were echoed by many of his chain drug counterparts around the country. Said Jim Mastrian, senior vp of marketing at Revco D.S., "Like most everybody else in our industry, we don't like EDLP. It doesn't seem in our best interest." He added, "EDLP just forces prices and margins down. That means drug chains have to sell at lower prices and margins, and we're left without some of the support the industry has depended on."

Harris
Randall's

> *'We have to get back to doing business, the way business has to be done. Buyers need to get back to selling the products.'*

"We think EDLP doesn't work that well in our industry," added Ron Peterson, executive vp of marketing and merchandising at Jack Eckerd Corp. "We see it as a negative in our industry."

Trade incentives

Along with other drug and supermarket chains, Eckerd, Revco and Perry have come to rely on the kinds of trade incentives P&G and other suppliers have used for years to promote their brands. Those incentives evolved over the past two decades into a complex and highly entrenched pattern of doing business—a pattern that rewarded retailers and wholesalers to take on more product than they could sell at any given time.

The practice, called trade

Continued on page 7

Weitz ready for change at Duane Reade

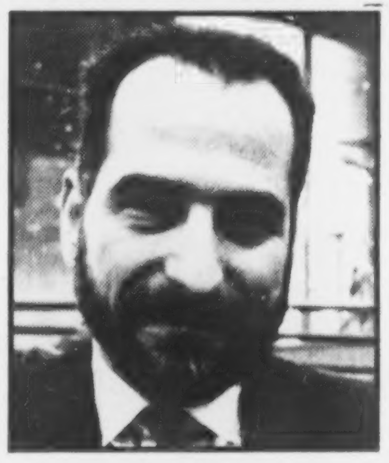
With Bruce Weitz at the helm as president and ceo of Duane Reade, automation, expansion and a hard line with suppliers may be on the horizon.

By Barbara White

NEW YORK —Just months after Bain Capital, a Boston-based investment firm, purchased Duane Reade, the newly formed Duane Reade Holding Corp. has begun to define the chain with the appointment of Bruce Weitz as president and ceo.

Weitz will return to the New York metro area from Boston, where he has served as president of Grossman's, the Braintree, Mass.-based home improvement and hardware retailer.

Weitz's appointment is part of Duane Reade Holding Corp.'s plans for the growth of the 37-unit chain. "Duane Reade is a successful chain with an extremely competitive strategy," Weitz told *Drug Store News*. "The chain's success is a testament to the Cohens and all of the staff at the chain. The Cohens will continue to have an active role for a period of time. They are a valuable asset to the company and bring a lot to the party."



Weitz

Although expansion has been broadly hinted at by the Cohen brothers and Bain, no one will reveal a game plan as yet. Said Weitz: "We'll look to expand the chain. The people involved in the chain have created a very successful operation and should reap the benefits that expansion will afford." Weitz said growth would come within the metro New York area, but would not comment on any expansion outside of the five boroughs.

Weitz said he felt he could make a contribution to the chain based on his experience in marketing, store layout and design, warehousing and transportation.

His contributions are likely to involve advances in technology. At Grossman's, Weitz instituted front and back-end automation. Although Duane Reade has managed the keep its turns at the top of industry charts without the help of POS scanning and automation, under Weitz, the chain will likely enter the electronic age soon.

"Technology should be used as a competitive weapon based on what it can do for the company and the customer," said Weitz. "I would say technology would be one of the areas that I will concentrate on first.

"Technology changes the way you receive merchandise

Continued on page 36

Phar-Mor gets financing; to keep 258 units open

YOUNGSTOWN, Ohio — Embattled Phar-Mor has lined up agreements from its bank and insurance lending groups to provide the company with up to $150 million in much needed debtor-in-possession (DIP) financing. At the same time, Phar-Mor announced it has forged a new trade credit agreement to secure new credit terms with its suppliers.

Both the loan and credit agreements are a big boost to the chain, which has worked feverishly to secure a lifeline from lenders and trade creditors since it took a $350 million charge for financial irregularities and filed for bankruptcy this past summer. The loan package arrives in time for Phar-Mor to stock up for its crucial year-end

Continued on page 36

Walgreen outruns economy with 18th record year

DEERFIELD, Ill. — Keeping a tight rein on expenses and capitalizing on a maturing store and prescription base, Walgreen Co. racked up its 18th consecutive year of record sales and earnings in fiscal 1992.

Sales advanced 11 percent to $7.47 billion for the year, pushing net earnings up a healthy 13.2 percent to $220.6 million. Fourth-quarter results reflected the anemic economy, but net income was still up 11.7 percent on a 10.5 percent sales hike.

"Pharmacy sales advanced 16.2 percent for the year and again led our sales increase," said chairman and ceo Charles R. Walgreen III. "Pharmacy is 37 percent of our total sales today."

Same-store prescription sales were up 13.7 percent for the year.

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Food Merchandising supplement

If your DrSN issue arrived without a copy of Food Merchandising you may obtain copies by calling customer service at (813) 664-6707.

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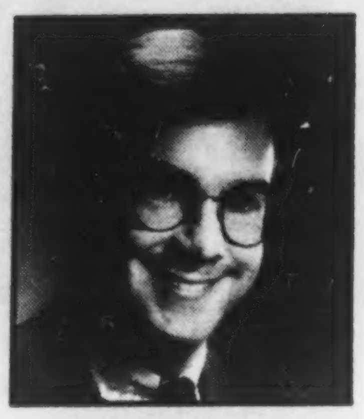
NEWS IN BRIEF

CVS names Morphis



Morphis

WOONSOCKET, R.I. — CVS has named Gene Morphis to the post of executive vp and cfo, with responsibility for the finance, management information services, loss prevention and internal audit departments.

He was most recently vp and cfo at American Woodmark Corp., Winchester, Va.

Safeway promotes Boyd

OAKLAND, Calif. — Dick Boyd was promoted to vp of corporate pharmacy operations at Safeway Inc. He had previously served as director of corporate pharmacy since joining Safeway in 1991.

Before joining Safeway, Boyd was with American Drug Stores as senior vp of pharmacy, and he spent 31 years at Longs.

Bergen agrees to buy Dr. T.C. Smith Co.

ORANGE, Calif. — Bergen Brunswig has agreed to purchase the North Carolina-based Dr. T.C. Smith Company, a private company which distributes pharmaceuticals and medical and surgical supplies, for an estimated $20 million. The company operates facilities in Asheville and Raleigh, N.C. and has a sales volume of approximately $150 million, primarily in the mid-Atlantic market.

Reportedly the medical/surgical supply sales are a small part of Smith's business.

The transaction is expected to be completed in November, subject to antitrust and other approvals.

Consumers: loyal to drug pharmacies

MINNEAPOLIS — Drug store pharmacies fill roughly 80 percent of the nation's prescriptions, but food retailers have in recent years steadily added pharmacies. Now, a study by MPSI/Retail Systems, based here, indicates that consumers remain dedicated to their drug store pharmacist even though there may be a grocery pharmacy nearer to their home.

"Proximity to home is a critical factor in shopping for prescription drugs, and in the minds of consumers, conventional drug stores are perceived to best meet this need as compared to other store types," said Steve Kotvis, director of marketing with MPSI/Retail Systems.

"This advantage, however, is more based on perception than behavior. While conventional drug stores are conveniently located, consumers report that they actually travel shorter distances to shop supermarkets for HBC products."

Kotvis spent six months analyzing data obtained from more than 1,000 telephone interviews of consumers in Florida's Tampa/St. Petersburg area.

Findings are based on 1,024 telephone interviews conducted during May and June 1991, and were published recently in a report called "The Rhyme and Reason of HBC Consumers."

According to Kotvis, two out of five prescription consumers have shopped the same pharmacy for at least five years, and two out of three consumers shop only one pharmacy. Only one out of six persons interviewed has switched pharmacies in the past two years, and of those, only one-third did so to obtain a lower price.

Prescription drug consumers are a relatively loyal group, especially as compared to all HBC consumers, making them an especially challenging consumer for new retailers entering a market, according to the study. It can take several years to capture business from existing pharmacies.

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CDMA mission: expand clout of small and mid-size chains

DALLAS — The Chain Drug Marketing Associates recent fall show here has solidified the trade group's position with small- to mid-size chains that want to combine buying clout so they can better compete with larger chains.

"This is the type of organization that small chains and independents can't live without," said Gary Wolf, president of deep discounter I Got it at Gary's. "This organization is here to answer our needs. They're tuned in and there are some real players here. CDMA needs the commitment from the major suppliers and chains, and I think that's happening."

Lever Brothers, Procter & Gamble and Gillette were just a few big names among the 160 suppliers present at the show. Over 60 chains were represented.

"This show has really been marked with a great deal of enthusiasm," said CDMA president James Devine.

See CDMA, page 34

Besides new products on the show floor, the show delivered useful informational sessions. CDMA's Idea Exchange gave chains a brainstorming forum to discuss marketing.

"This show allows me to network with chain executives," said Jay Kessler, president of Ark Drugs. "We share common problems and can come up with some good solutions through the idea exchange."

The show featured some new workshops as well, including sessions on reaching the mature market and POS automation.

"The education committee worked very hard to bring a program to this meeting that was timely and informative," said Bill Baxley, vp of Kerr Drug Stores and chairman of the education committee.

In another first at the meeting, a forum for cosmetic and HBA buyers enabled chains to share ideas and solve problems associated with managing a difficult category.

The buyers at the HBA roundtable agreed to meet twice a year and to form a task force that would enable the smaller chains to keep in closer contact with key suppliers.

At the Revlon luncheon, Michael Hammond, president of Revlon North America, pledged his commitment to be an active partner with chains.

Said Jim Harrison III, vp of Harco Drug and CDMA chairman of the board: "There are changes going on in the cosmetic category, and Revlon needs to be the leader. Together, we have to provide a collective forum so that we can carry the weight we need. It is a real problem when some suppliers are not seeing the smaller chains first with their new products."

HOT OFFERINGS

Among the most interesting new ideas and products at CDMA were:

- Express Shipping Centers, Fairfield, Iowa is a service that drug stores can offer their customers as an alternative to UPS shipping. Stores need only a 14-inch by 14-inch scale and some forms to start up the service. Express Shipping provides employee training and an 800 phone number that customers (and employees) can call with questions. The service should prove a winner at holiday time.

- Trolls were everywhere. CDMA buyer Lon Resnick said sales of troll merchandise are expected to exceed 100 million pieces this year. Russ, Ace and Applause showed troll merchandise. Bubbles and water guns are also hot, according to Resnick, with the week before Easter being the top selling week for such merchandise. Toi was just one vendor showing bubble toys.

- Four Point Design's, Fairfield, Conn., Loud-R device for the hearing impaired was presented at the merchandise presentations. The wireless device should make consulting hearing impaired customers easier for pharmacists.

- Tele Larm Inc., Raleigh, N.C., presented a full service for home-bound customers. The company offers a Care Phone system to seniors that keeps them in on-line contact with a computer system in case of an emergency.

- Unisar, New York, N.Y., showed FirstSounds, a fetal amplifier that allows parents to listen to the heartbeat of their unborn child.

Genovese launches mail order program

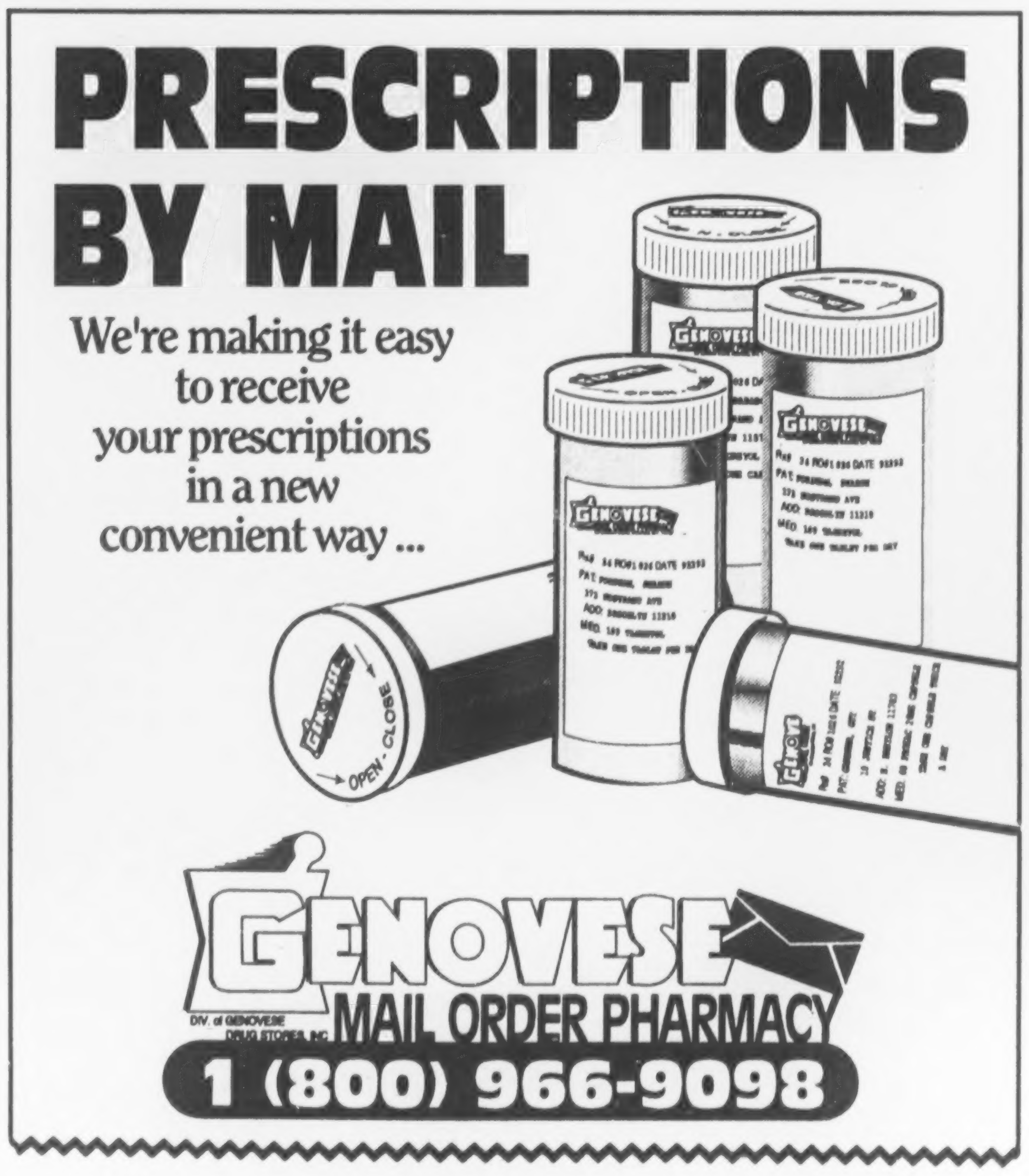
MELVILLE, N.Y. — Genovese has entered the burgeoning mail order arena.

The effort is headed by assistant vp Brad Goldin, who had previously run the chain's nursing home effort. So far, the chain has dedicated one pharmacist and one tech to mail order.

Customers enroll in the program through an 800 number. Medications are delivered to their homes within two days after receipt of an order. Genovese completes and files insurance claims for all customer orders. Prices for prescriptions filled under the plan equal those at Genovese's retail stores.

"We are looking to provide an extra service and to broaden our base," said Goldin. "A lot of people are shut-ins and can't get out to the pharmacy. Others are so busy that they don't have the time to go to a retail pharmacy."

Goldin said that Genovese will be looking to secure contracts with health plans.



Everyday low price: what's your view?

MARKET PULSE
AL HELLER

The major editorial package we've prepared to lead off this issue tells us that a huge change in retail pricing philosophies will probably occur glacially rather than speedily—especially given EDLP's chilly reception among drug chain executives.

Not only do they harbor major concerns about EDLP, so do many combo operators, wholesalers and other manufacturers who seem hooked on trade promotions, forward buying and giving retailers and middlemen a chance to excite consumers in-store—"prime the pump," as one put it, to build incremental sales and make stores distinctive.

Dozens of retail trade executives we spoke with are clearly grappling with the everyday low price concept. Some wish the letters EDLP weren't in the alphabet, while many others may yet embrace some form of contract pricing—though the chances of that happening are better if trade allowances are maintained in force.

We want to know what you think about EDLP today, and its impact on retail practices as we progress through the '90s. We value your opinions, and very much appreciate if you would respond to this questionnaire.

Feel free to write your answers on this page and FAX it back to me at (212) 756-5250. If you want to write a lot, send an extra sheet with your comments. Or write a little, as you prefer.

1. a. If you were starting your business today, would you begin on an EDLP basis with your suppliers?

b. Why or why not?

2. a. How much of a factor are trade allowances and deal buying in your current profit structure?

b. Are they increasing or decreasing in importance?

3. What advantages do you see for your business in an EDLP strategy fostered by manufacturers?

4. a. Some manufacturers contend that EDLP leads to lower overall acquisition costs. Do you agree?

b. Are you able to pass those "savings" onto consumers?

c. Why or why not?

5. What difficulties does EDLP present to your business?

6. a. If more manufacturers force EDLP onto the trade, will EDI and retail automation help your chain adapt?

b. How?

7. a. Does EDLP foster or discourage brand loyalty?

b. Why?

8. a. Can EDLP work better for some categories than others?

b. Where can it be most effective?

9. a. Faced with EDLP efforts by Procter & Gamble, are you relying more on private label as a way to build gross margin dollars?

b. Do you expect to do more of this over the next two years?

10. How will this EDLP issue shake out later in the '90s? For example, do you see hybrid-EDLP programs developing into the most common kind of buy-sell relationship?

Name ______________________________

Title ______________________________

Chain ______________________________

NDA finally sped up; user fees pay for plan

WASHINGTON PERSPECTIVE
KEN RANKIN

First the good news from Washington: during the closing days of this year's "gridlock Congress," the House, the Senate and the Bush Administration agreed on legislation designed to significantly reduce the "drug lag."

Advocates of the new approach say it will cut the FDA's new drug application (NDA) processing time almost in half and make important new pharmaceutical products available to Americans months or even years faster than under the current system.

The not-so-good-news is that Washington could have engineered this near-miraculous upgrade of the nation's drug approval system decades ago.

The election eve scheme concocted by Congress and the Administration does not rely on any scientific or technological breakthrough to accelerate the introduction of new medicines. Instead, Washington is addressing the problem the old-fashioned way: by throwing money at it, some $300 million over the next five years, via a new series of "user fees" levied on drug manufacturers seeking NDA reviews and agency approval to switch products Rx-to-OTC status.

The irony, of course, is that for decades now, the FDA has been dismissing criticism of its slow-footed NDA approval process.

Indeed, only a few years back, I was lectured at length by the FDA Commissioner on why the "drug lag" was a myth and how the agency was already moving new drugs out of the pipeline as quickly as possible. Any further "corner cutting" in the FDA's procedures could result in ineffective or even unsafe pharmaceuticals reaching the marketplace, agency officials argued.

Now, the FDA is acknowledging that there are unnecessary bottlenecks in the process for reviewing NDAs, and that 600 new federal drug review staffers and $300 million will eliminate them. The fact that this money will come from pharmaceutical manufacturer "user fees" rather than from taxpayers only adds to the irony of the situation.

Hopefully, the plan will work as predicted. But if it does significantly reduce delays in NDA approvals, the success of user fees will raise fresh concerns about federal health care policy over the past quarter century.

If $300 million is all it takes to make new lifesaving medicines available years sooner, why didn't Washington make this investment sooner?

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Bergen Brunswig posts sales gain, profit drop

ORANGE, Calif. — Bergen Brunswig Corp. reported an 18 percent rise in sales but a 4.9 percent drop in profit on record volume of $5.05 billion for the fiscal year ended Aug. 31, 1992, compared with sales of $4.30 billion last year.

Net earnings slipped to $60.9 million from $64.1 million a year ago. Earnings for the year just ended include earnings from continuing operations of $53.0 million compared to $58.1 million for the similar period last year. The company completed the sale of Commtron during the fourth quarter.

For the fourth quarter ended Aug. 31, net sales increased 21 percent to $1.34 billion from $1.11 billion in the same quarter last year, while net earnings increased 37 percent to $17.7 million.

"Results for both the fourth quarter and the fiscal year met the company's objectives," said chairman and ceo Robert E. Martini, who noted that earnings were impacted by the recessionary climate, especially in California; by competitive pricing; and reduced forward buying opportunities.

During the fiscal year, Bergen Brunswig acquired substantially all of Owens & Minor's pharmaceutical distribution business, and on Oct. 5 it completed a merger with Durr-Fillauer Medical.

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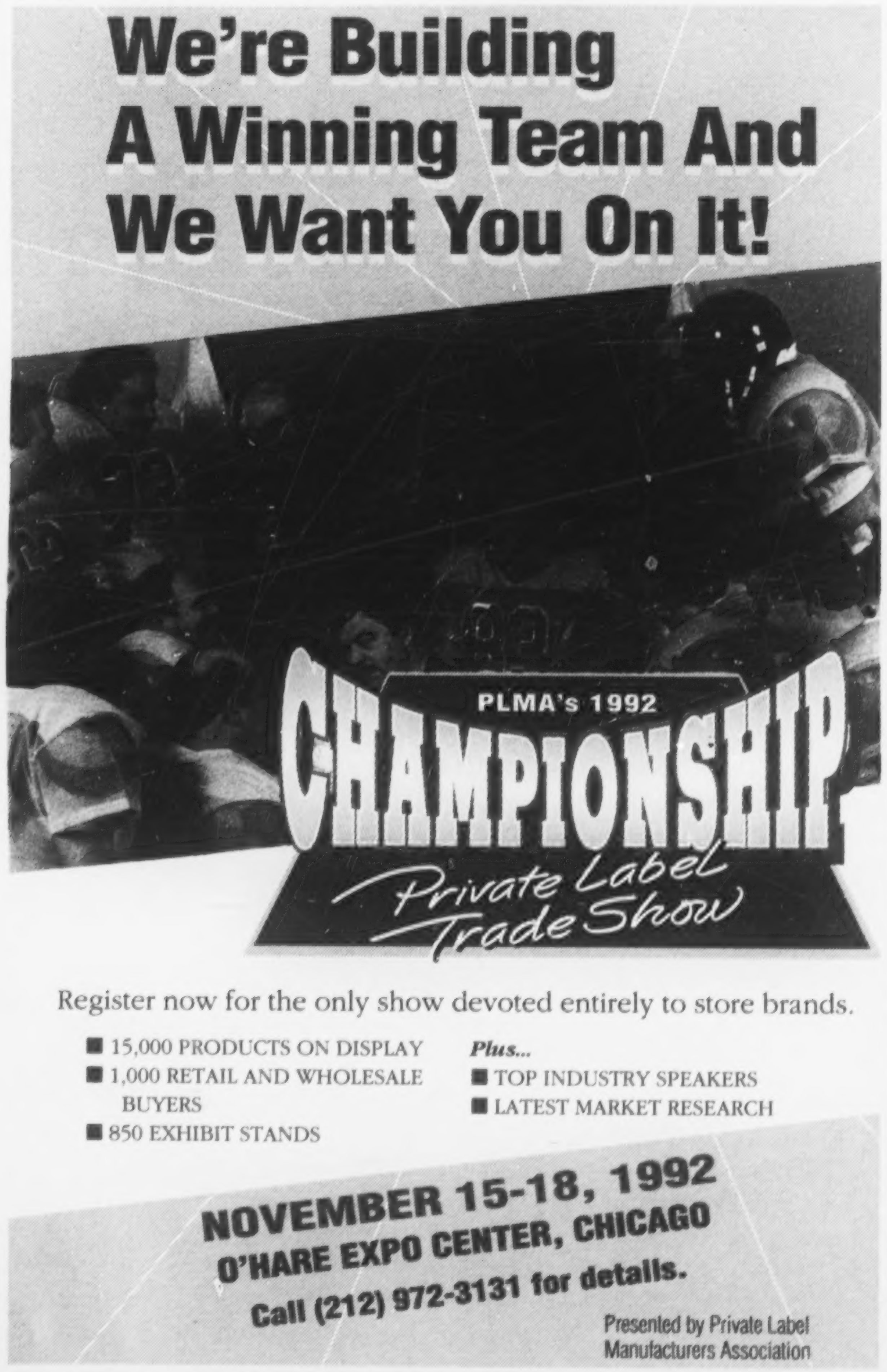
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PLMA's 1992 CHAMPIONSHIP Private Label Trade Show

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NOVEMBER 15-18, 1992
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MARKET DIARY:

Largest Dollar Gainer	Schering Plough	$ 3.13
Largest Dollar Loser	Novo-Nordisk	$ − 4.13
Largest Percentage Gainer	Lee Pharmaceutical	31.30%
Largest Percentage Loser	Columbia Labs	−13.95%

Advances	22
Declines	38
Unchanged	2
New highs	2
New lows	12

	Close 9/29/92	Close 10/13/92	Net Change	Percent Change
Drug Store News Index	4531.35	4507.92	−23.43	−0.52
Dow Jones Industrial Average	3266.80	3201.42	−65.38	−2.00
Standard & Poor's 500-Stock Index	416.80	409.30	− 7.50	−1.80
N.Y.S.E. Composite	228.90	225.31	− 3.59	−1.57
Value Line Index	245.83	241.10	− 4.73	−1.92

Source: Nordby International Inc., Boulder, Colo.

DRUG STORE NEWS INDEX

Exch	Company	Ticker Symbol	Closing Price 9/29/92	Closing Price 10/13/92	Net Change In Period	Percent Change In Period	P/E Ratio	Annual Dividend Rate	Annual Dividend Yield	Annual High	Annual Low
Chain store transactions											
OTC	Accuhealth Inc.	ACCU	4.88	5.13	0.25	5.13	15	0.00	0.00	5.75	3.47
OTC	Arbor Drugs	ARBR	21.63	21.50	−0.13	− 0.58	22	0.12	0.56	25.25	17.50
OTC	Big B	BIGB	14.13	14.25	0.13	0.88	14	0.20	1.40	16.25	10.63
OTC	Drug Emporium	DEMP	4.63	4.63	0.00	0.00	—	0.08	1.73	9.25	3.63
NYS	Fay's Inc.	FAY	7.50	7.25	−0.25	− 3.33	14	0.20	2.76	9.69	6.59
ASE	Genovese Drug	GDX.A	7.88	7.63	−0.25	− 3.17	9	0.24	3.15	14.75	7.50
NYS	Longs Drug Stores	LDG	35.25	34.25	−1.00	− 2.84	13	1.12	3.27	40.00	33.13
OTC	Medicine Shoppe	MSII	23.50	23.00	−0.50	− 2.13	16	0.36	1.57	30.75	22.50
NYS	Perry Drug	PDS	8.63	8.38	−0.25	− 2.90	11	0.00	0.00	11.63	7.13
NYS	Rite Aid Corp. (H)	RAD	22.63	22.25	−0.38	− 1.66	15	0.52	2.34	23.00	17.25
NYS	Walgreen Co.	WAG	38.00	39.25	1.25	3.29	22	0.52	1.32	39.75	30.38
Wholesaler's transactions											
ASE	Bergen Brunswig	BBC	18.25	20.38	2.13	11.64	14	0.40	1.96	22.25	16.00
OTC	Bindley Western Ind. (L)	BIND	14.13	13.38	−0.75	− 5.31	9	0.04	0.30	20.75	12.88
OTC	Cardinal Distribution	CDIC	29.00	25.50	−3.50	−12.07	18	0.08	0.31	35.50	22.50
OTC	Durr-Fillauer	DUFM	33.13	32.75	−0.38	− 1.13	24	0.28	0.85	33.50	17.50
NYS	FoxMeyer Corp.	FOX	11.50	12.63	1.13	9.78	13	0.28	2.22	16.63	10.38
NYS	McKesson Corp.	MCK	38.25	39.38	1.13	2.94	44	1.60	4.06	40.00	30.25
ASE	Moore Medical	MMD	9.63	9.38	−0.25	− 2.60	20	0.00	0.00	11.13	3.00
NYS	Owens & Minor	OMI	17.50	18.38	0.88	5.00	18	0.24	1.31	24.25	16.50
Manufacturer's transactions											
NYS	Abbott Labs	ABT	28.38	28.63	0.25	0.88	20	0.60	2.10	34.88	26.13
NYS	American Home Products (L)	AHP	67.50	67.13	−0.38	− 0.56	14	2.60	3.87	86.25	62.25
ASE	Barr Laboratories	BRL	8.13	9.00	0.88	10.77	22	0.00	0.00	36.13	5.88
NYS	Baxter International (L)	BAX	32.88	31.63	−1.25	− 3.80	15	0.84	2.66	40.88	31.63
OTC	Block Drugs Co.	BLOCA	46.50	48.50	2.00	4.30	15	0.88	1.81	61.00	42.50
ASE	Bolar Pharmaceutical	BLR	8.88	7.75	−1.13	−12.68	—	0.00	0.00	14.50	5.38
NYS	Bristol-Myers Squibb (L)	BMY	63.75	63.13	−0.63	− 0.98	16	2.76	4.37	90.13	60.00
NYS	Carter-Wallace	CAR	27.00	24.50	−2.50	− 9.26	24	0.32	1.31	45.84	22.88
ASE	Columbia Labs	COB	5.38	4.63	−0.75	−13.95	—	0.00	0.00	10.38	4.00
ASE	Del Laboratories	DLI	19.13	19.25	0.13	0.65	14	0.28	1.45	24.38	16.88
ASE	Forest Labs	FRX	35.00	33.75	−1.25	− 3.57	28	0.00	0.00	42.88	30.00
ASE	Halsey Drug	HDG	6.38	6.31	−0.06	− 0.97	21	0.00	0.00	9.75	5.63
NYS	ICN Pharmaceutical	ICN	7.13	7.00	−0.13	− 1.75	16	0.00	0.00	25.38	5.63
NYS	Johnson & Johnson	JNJ	47.63	48.13	0.50	1.05	20	0.92	1.91	58.69	43.00
ASE	Lee Pharmaceutical	LPH	1.00	1.31	0.31	31.30	—	0.00	0.00	2.13	0.75
NYS	Lilly Eli Co. (L)	LLY	62.25	60.13	−2.13	− 3.41	13	2.20	3.66	87.75	58.75
NYS	Marion Merrell Dow (L)	MKC	26.25	24.63	−1.63	− 6.19	11	1.00	4.06	39.00	24.25
NYS	Merck Co. (L)	MRK	44.00	42.63	−1.38	− 3.13	21	1.00	2.35	56.59	40.50
NYS	Mylan Labs	MYL	26.38	24.75	−1.63	− 6.16	44	0.12	0.48	27.50	15.75
NYS	Novo-Nordisk	NVO	93.13	89.00	−4.13	− 4.43	16	0.60	0.67	96.75	73.75
OTC	Nutramax Products	NMPC	8.25	8.50	0.25	3.03	21	0.00	0.00	12.50	7.25
NYS	Pfizer Inc.	PFE	74.50	71.63	−2.88	− 3.86	31	1.48	2.07	87.00	65.13
NYS	Pharmaceutical Resources	PRX	6.38	6.25	−0.13	− 1.96	—	0.00	0.00	8.00	3.25
NYS	Rhone-Poulenc Rorer (L)	RPR	46.00	46.38	0.38	0.82	18	0.72	1.55	69.38	44.63
NYS	Schering Plough	SGP	56.13	59.25	3.13	5.57	18	1.56	2.63	68.00	49.88
NYS	Syntex Corp. (L)	SYN	26.38	26.00	−0.38	− 1.42	12	1.04	4.00	56.00	24.13
OTC	Taro-Vit Industries	TAROF	7.63	7.75	0.13	1.64	65	0.00	0.00	12.75	4.13
OTC	Teva Pharmaceutical Ind. (H)	TEVIY	29.25	31.13	1.88	6.41	31	0.16	0.51	31.13	15.00
NYS	Upjohn Co. (L)	UPJ	33.25	31.50	−1.75	− 5.26	10	1.48	4.70	45.88	30.00
NYS	Warner-Lambert	WLA	63.13	64.63	1.50	2.38	46	2.04	3.16	79.25	58.38
OTC	Zenith Labs	ZENL	13.75	13.50	−0.25	− 1.82	—	0.00	0.00	24.50	11.00
Other retailer transactions											
NYS	Albertson's	ABS	44.13	44.00	−0.13	− 0.28	24	0.64	1.45	47.50	32.75
NYS	American Stores (H)	ASC	39.75	38.88	−0.88	− 2.20	17	0.68	1.75	41.50	26.00
NYS	Giant Food	GFS.A	17.88	17.75	−0.13	− 0.70	15	0.68	3.83	26.25	16.88
NYS	Great Atlantic&Pacific Tea (L)	GAP	24.75	22.38	−2.38	− 9.60	—	0.80	3.58	35.25	21.38
NYS	Kmart	KM	25.00	24.13	−0.88	− 3.50	12	0.92	3.81	27.50	19.06
NYS	Kroger	KR	12.25	11.63	−0.63	− 5.10	13	0.00	0.00	21.13	11.25
NYS	Melville Corp.	MES	49.88	48.50	−1.38	− 2.76	15	1.48	3.05	52.00	38.25
OTC	Fred Meyer	MEYR	26.63	26.63	0.00	0.00	14	0.00	0.00	29.25	19.75
NYS	Penney, JC	JCP	70.75	71.25	0.50	0.71	25	2.64	3.71	73.50	47.25
NYS	Safeway (L)	SWY	10.00	10.63	0.63	6.25	39	0.00	0.00	20.25	9.63
NYS	Smith's Food & Drug	SFD	34.50	35.13	0.63	1.81	21	0.44	1.25	43.25	25.75
NYS	Wal-Mart	WMT	58.88	58.13	−0.75	− 1.27	38	0.20	0.34	59.88	45.38

Key: (H) = New annual high reached in the bi-weekly period. (L) = New annual low reached in the bi-weekly period. (d) = Deficit. NYS = New York. ASE = American. OTC = Over the counter. (s) = Reflects stock split.

Source: Nordby International, Inc., Boulder, Colorado (303) 449-0326.

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DRUG STORE NEWS for the PHARMACIST

VOL. 2 NO. 10 The Journal of Retail Pharmacy OCTOBER 26, 1992

NEWS FOCUS

- Look for a fresh attack on the Medicaid "best price" drug rebate rules early next year. Although Congress shot down efforts to replace "best price" with a flat percentage discount before adjourning this month, the American Society of Hospital Pharmacists (ASHP) says the battle isn't over. "Many decision makers on Capitol Hill now agree with ASHP that "best price" is merely shifting drug costs from Medicaid to institutional payers," the group said. "ASHP plans to continue the good fight with them next year."

- FDA boss David Kessler's plan to revise the labeling of prescription drugs to provide "talking points" for pharmacists is beginning to raise eyebrows and liability concerns within the profession. Under Kessler's scheme, the present "Information For Patients" section of drug labeling would be expanded to give pharmacists "a better idea of the important messages" the FDA believes it should be delivering to patients. But pharmacists at a recent USP patient education conference in Bethesda, Md., voiced concerns about the propriety of pharmacists counseling according to an FDA-written script—and fears about the liability consequences of not discussing the agency's "talking points."

Wholesalers survive a year of challenges

Bolstered by technology advances like McKesson's Acumax system, above, that helped trim distribution costs, the wholesale drug industry rose to meet the twin challenges of dramatically lower pharmaceutical price increases, which dampened forward buying opportunities, and withering price competition. Both trends eroded already wafer-thin margins. *Cover story begins on page 23.*

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